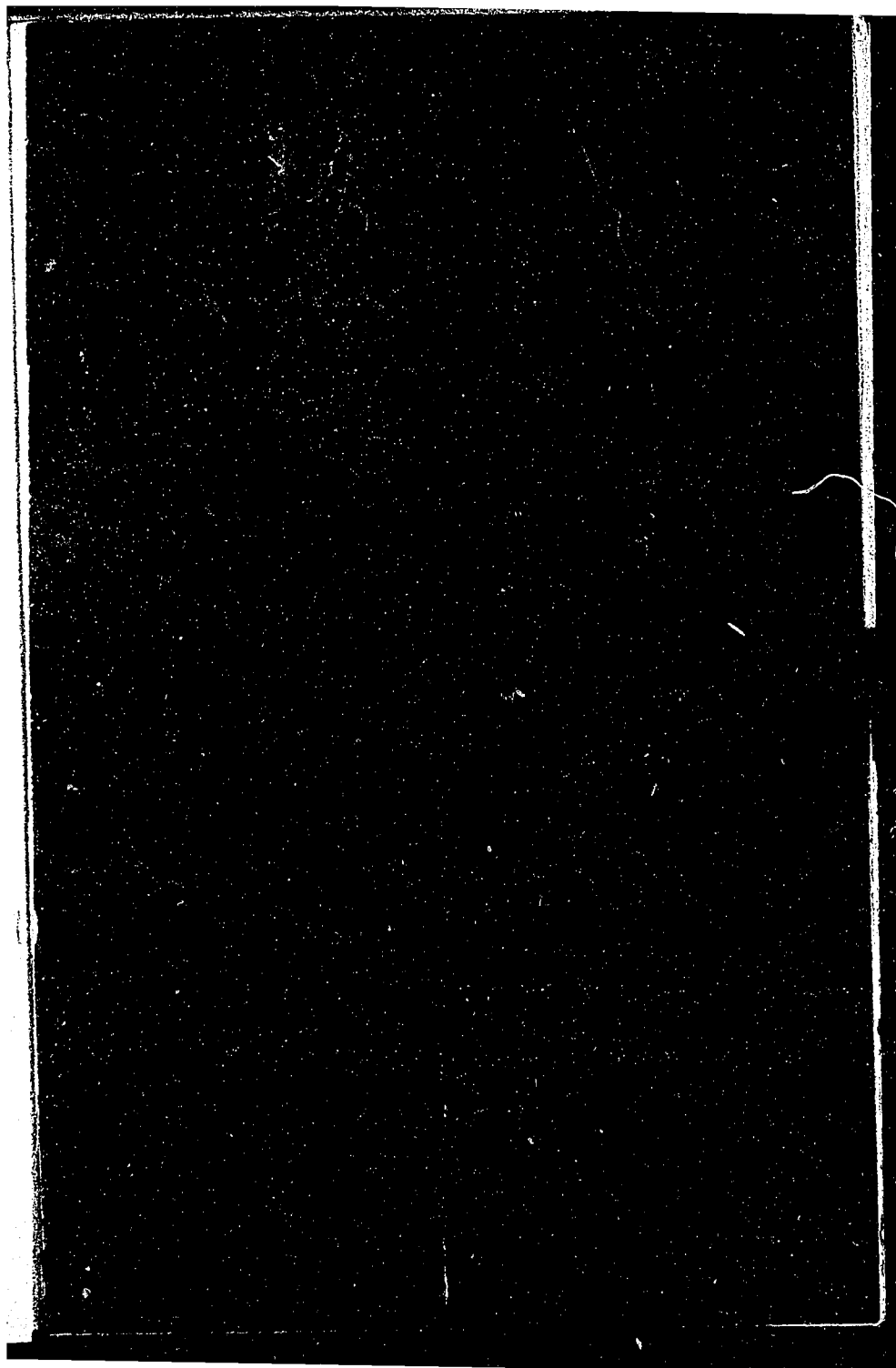


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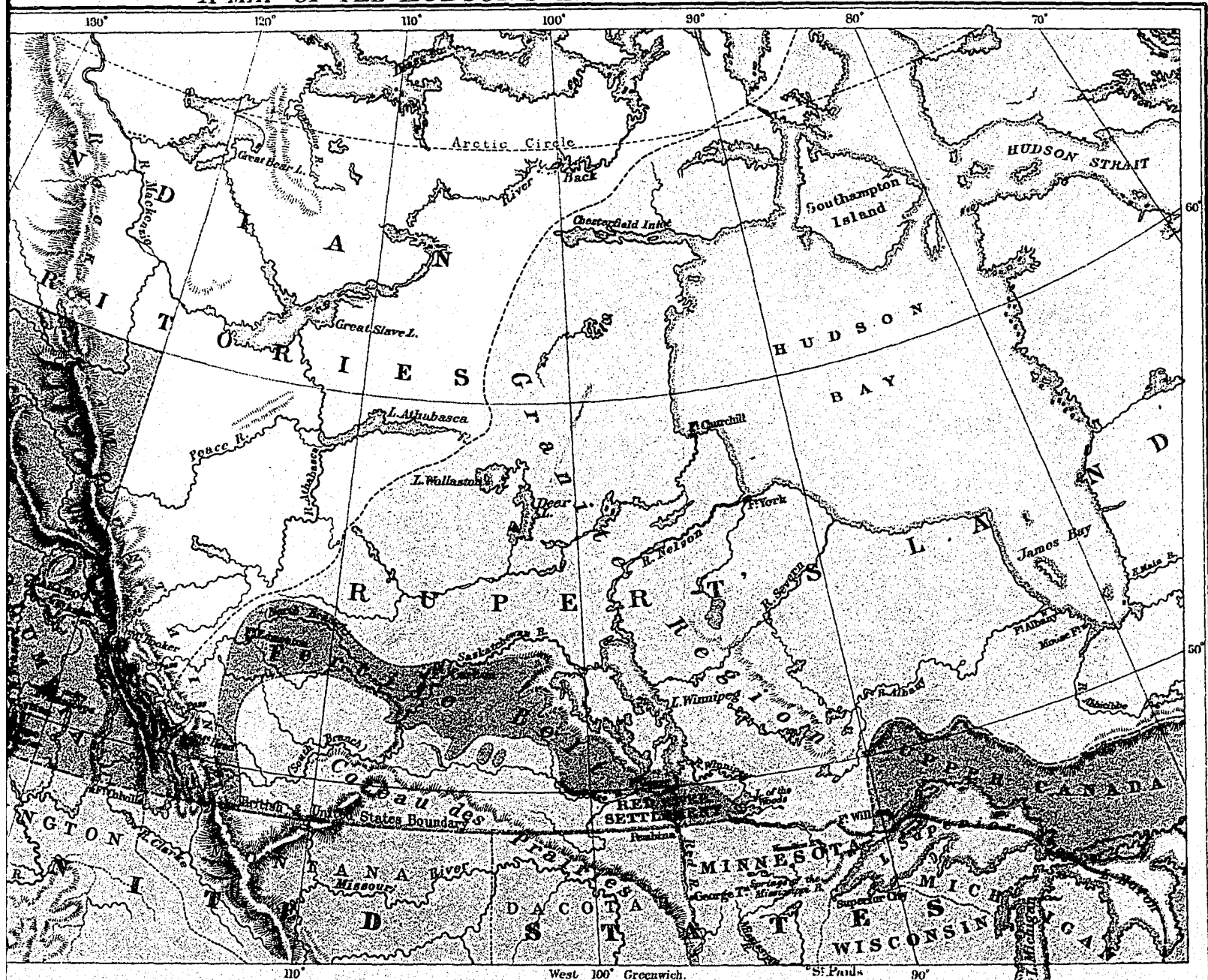
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A MAP OF THE HUDSON'S BAY TERRITORIES.



THE
HUDSON'S BAY COMPANY,

ITS
POSITION AND PROSPECTS.

THE SUBSTANCE OF AN ADDRESS, DELIVERED AT A MEETING OF
THE SHAREHOLDERS, IN THE LONDON TAVERN,
ON THE 24TH JANUARY, 1866.

BY
JAMES DODDS.

With a Map.

FIRST THOUSAND.

LONDON:
EDWARD STANFORD, 6, CHARING CROSS, S.W.
AND
A. H. BAILY & CO. 3, ROYAL EXCHANGE BUILDINGS, E.C.
1866.

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PREFACE.

A wish having been expressed for the publication, in a revised and authentic form, of the following Address on the Hudson's Bay Company, I have reproduced, as near as memory served me, the portions that were actually delivered. But, I have also added several points which I intended to bring forward, but forbore, from an anxiety not to trespass upon the time of the audience—the busy men of the busiest city in the world at a still busy period of the day.

The principal authorities (independent of some private informants on whose accuracy I could rely), from which I have drawn my facts, are the following:—

PARLIAMENTARY PAPERS:—

Hudson's Bay Company	1850
Report from Select Committee on Hudson's Bay Company	1857
Hudson's Bay Company's Charter and Licences	1859
Conferences between Her Majesty's Government and Deputation from Executive Council of Canada	1865
Hind's Canadian Expedition into Rupert's Land, &c.	1860
Palliser's Exploration of British North America	1859-60-63-65
Index and Maps to Captain Palliser's Reports	1865
Hind's Narrative of Canadian Exploring Expeditions	1860
Hudson's Bay Company's Reports from 28th November	1864
Martin's Hudson's Bay Territories	1849
Fitzgerald's Examination of Hudson's Bay Company	1849
Monro's British North America	1861
Dinsmore's American Railway Guide	November, 1865
Nor'Wester Newspaper of Red River	1865
Russell's Canada	1865
Rawlings' Route from Atlantic to Pacific Ocean	1865
Rowe's American and Australian Colonies	1864
Lord Selkirk's British Fur-Trade in North America	1816
Berghaus' Chart of the World	1863
Journal of Society of Arts	March, 1861
Statesmen's Year Book	1866

I was much assisted at the Meeting by being able to refer to the large map of the Territory belonging to the Company, and which was most readily and kindly lent for the occasion by the Directors; and now the readers of this publication will be equally assisted by the accompanying map, prepared and executed in Mr. Stanford's establishment. Coming from such a quarter, its fidelity can be absolutely depended upon, and every care has been taken to make it clearly illustrative of the letter-press. Only leading places are shown, so as not to burden attention with what is insignificant or irrelevant; and by varieties of tinting the great characteristic features of the country are brought prominently before the mind.

The patient and cordial attention of the Meeting at the London Tavern, composed chiefly of city men, whose every minute was valuable, was a sufficient reward for my small labours. I hope, in this published form, the Address may continue to be useful and stimulating to my fellow-shareholders, who have need, at this turning-point in the Company's affairs, of knowledge, union, and decision, to see that their interests are not lost by delay, intrigue, or weakness, and that the resources of their splendid property are fully developed.

The Gentlemen who convened and conducted the Meeting are anxious to give a short account of their stewardship to the body of the shareholders, by whom they were so respectably supported on that occasion. This will be found in a Statement at the end of the pamphlet.

J. D.

18, Abingdon Street, Westminster, March, 1866.

THE HUDSON'S BAY COMPANY.

I HOPE when you have heard me, I shall stand acquitted of any charge of presumption in coming forward to open the proceedings of this meeting by an Address upon the position and prospects of the Hudson's Bay Company.

I was led by accidental causes to bestow some attention upon this subject; and the gentlemen who have convened this meeting thought it might be of use if I were to lay before my fellow-shareholders the results of my investigation. It might diffuse information amongst those who had not time and opportunity to prosecute the study for themselves; and might guide the way to further deliberations upon the new interests and new relations of the Company.

I beg to state distinctly at the outset, that I am not here to raise up any party in the Company, or to utter any reproaches or recriminations against the Directors. They have chosen to maintain a reserve, a silence, some call it a mystery, which I believe has been unsatisfactory and displeasing to many of the shareholders. But I have no doubt when the time comes that they can make a clean breast, they will be able to satisfy us that they have not been actuated by any pedantic stiffness and pride, but have been tongue-tied out of regard to ulterior interests which might be damaged by premature disclosures and discussions.

In consequence of this inveterate silence however, the shareholders are left to themselves, without chart or

compass, and must do the best they can in watching the course of events, and in urging the adoption of some more defined and decided measures for the common protection and welfare.

We have been for years approaching an extraordinary crisis in our affairs; we are now thoroughly involved in it; we must adapt our antiquated and semi-barbarous fashions to the requirements of modern civilization; and upon our prudence or weakness as a Company for the next two years, will depend—whether we shall sink in decrepitude and contempt, or soar to a higher pinnacle of prosperity than ever, carrying along with us the progress and improvement of humanity.

That you may have before you at once the whole topics in connection with the Company on which I am to address you, I have to premise that I shall—

FIRST—Describe their territory.

SECOND—Explain their title.

THIRD—Sketch their history.

FOURTH—Notice the circumstances at work which must precipitate a change of policy.

FIFTH—Consider what ought to be the new policy.

I. THE TERRITORY.

This Territory has no one established name in geography. Its name will be a creation of the future. In the Charter of the Company (to which I shall have to refer), it was called Rupert's Land; it has been commonly styled the Hudson's Bay Territory; and in old geographies I see that some portion of it at one time bore the name of NEW BRITAIN—a name which I hope may yet be revived. I shall generally speak of it under the chartered name of Rupert's Land.

Rupert's Land occupies the central mass of British America, and is bounded by Canada and the Atlantic on the east, by the Arctic Ocean on the north, on the west by the Rocky Mountains, British Columbia, and the large unallotted Indian Territory, and on the south by the Boundary-line of the United States. Although as yet imperfectly surveyed, we may take the area about $2\frac{1}{2}$ millions of square miles—nearly equal to all Europe counting out Russia. The population is miserably disproportionate to the size, being only about 100,000, including some 11,000 whites and half-breeds, the rest being various tribes of Indians.

You will observe that a chain of lakes and lake-rivers runs through this Territory from the south-east, near the water-shed of Lake Superior, in a north-westerly direction towards the Arctic Ocean. This is the Lake Region. To the east, or Atlantic side, is the Granite; to the west, or Rocky Mountain side, is the Prairie Region.


There are then three geological regions or sub-divisions in Rupert's Land—the Granite, the Lake, and the Prairie.

The *Granite* region, (near four-fifths of the whole territory in extent,) seems to be chiefly composed, as its name denotes, of the granitic and other primitive rocks. It has been summarily depicted, on slight observation, as bare, rugged, and desolate. Further acquaintance is modifying that view, for it is more and more found to be variegated with rich valleys and fine picturesque spots. For the present however we may lay it out of view, as a place for anything like immediate agricultural settlement.

It must not however be supposed to be a useless country. Far from it. It has always been one of the

chief haunts of the fur-bearing animals—one of the chief seats of our Fur-trade; and it is expected by all geologists, that it will yet be found stored with the most valuable minerals—iron and copper, and perhaps gold. They have lately discovered gold in the same formation, on the American side, west of Lake Superior.

The two other regions (*Lake* and *Prairie*), lying to the west of the Granite, and stretching to the Rocky Mountains by a succession of slopes or terraces rising from 600 to 3000 feet above the sea-level, may be taken together; for though they have many geological diversities, they are substantially the same in soil and produce, being generally composed of soft materials, overlaid with a rich vegetable mould, from a few inches to several feet in thickness. From geological descriptions they seem very much to resemble in structure and quality the South of England, from Devonshire to Sussex and Kent.



The Lake and Prairie regions are now commonly known as the Basin of Lake Winnipeg, for all their streams and rivers flow into that Lake—a capacious inland sea of fresh-water, 300 miles long, and 50 broad, 400 miles at the nearest point south-west of Hudson's Bay. The Winnipeg River and its feeders from the Canadian side—the Red River, from near the springs of the Mississippi—the Assiniboine, from the heart of the Prairies—the North and South Saskatchewan, from the innermost defiles of the Rocky Mountains—all pour their volumes into the reservoir of Lake Winnipeg.

This Winnipeg Basin contains about 400,000 square miles, all, with one exception, more or less capable of cultivation, and which no doubt will in the course of ages, become a varied and interesting and fruitful

country. The one exception consists of a spur of the Great American Desert, which penetrates for about 120 miles into the south-west corner of Rupert's Land. This, which in the United States is a long, wide, arid desert, spreading in melancholy waste the whole length of the continent, and from the valley of the Mississippi-Missouri, to the Rocky Mountains, and thence to the Pacific, over no less than 1,000,000 square miles, nearly one-third of the whole United States, can scarcely, when it passes the boundary-line into Rupert's Land, be described as a desert; it becomes so mitigated in its sterile qualities, and interspersed with so many spots of verdure and abundant vegetation. In Rupert's Land it ought rather to be called, in distinction from the real American desert, by the name it used to receive from the old French voyageurs, the *Couteau*—meaning by that, I suppose, a country marked by sharp ridges. This *Couteau*-ground is so diversified in quality, and so irregular in its outline, that it is difficult to say what extent is decidedly inferior land; but we shall put the proportion high—say 50,000 square miles—which would still leave in the Winnipeg Basin 350,000 square miles, or 214,000,000 acres, capable of beneficial cultivation—about as much as France and Spain put together.

But these immense quantities must be left for a distant posterity to deal with; for the purposes of the day we must come down to more measurable amounts.

This same Winnipeg Basin comprehends that zone or tract of country now so well known as the *Fertile Belt* of Rupert's Land—a tract of country, as its very title implies, which travellers and scientific explorers declare to be unsurpassed for fertility, productiveness, beauty, and adaptation for industrial settlement:—"In

some parts," says Captain Palliser, Commander of the British Government's Expedition of 1857-60, a man who indulges in no rhetorical flourishes—"in some parts rivalling the finest park scenery of our own country."

The Fertile Belt, varying in breadth, enters Rupert's Land with the course of the Red River, about the 96th meridian, girdles that River on both sides, turns to the north-west between the Assiniboine and Lake Winnipeg, follows the valley of the Saskatchewan to the west, but on approaching the ridges of the Rocky Mountains turns round to the south-west, and falls back again, about the 114th meridian, into the boundary line of the United States. It describes a sort of semicircle, and we may call it the "*Rainbow of Rupert's Land*,"—the fore-token of its future splendour and prosperity.

The Fertile Belt contains about 65,000 square miles, or upwards of 40,000,000 acres, considerably more than England and Wales. But even this will require some generations fully to develope and people. We must again, for immediate purposes, reduce ourselves to a smaller amount of land.

We come at last to a manageable area—to certain portions of the Fertile Belt which have been minutely explored and surveyed by Professor Hind, one of the Canadian Commissioners in 1858, and described by him as extending to about 22,000,000 acres,—being larger than Ireland—land of the first quality in the world for agricultural and grazing uses, ready waiting for the plough and spade, and for myriads of sheep and cattle.

In my subsequent remarks on land, I must always be understood, unless otherwise expressed, as referring not to the all but illimitable spaces of Rupert's Land, with which posterity must be left to deal, but to this restricted area of first-class land, 22,000,000 acres,

which even the present generation may see, are almost sure to see, converted into the abodes of industry and plenty, waving with grain and white with flocks, covered with large and thriving towns, and filled with the stir and sound of (I hope) an active, bold and educated, a free and sound-hearted population.

The climate of the Fertile Belt is much finer than the eastern or Atlantic side of the Territory. The Winnipeg Basin in fact, taking the whole year together, is more genial than Canada, and many of the eastern States of America. It is very happily situated for the benignant operation of atmospheric influences. From the south come up the warm currents of the Gulf of Mexico, which, gliding over the low water-shed of the Mississippi, continue to drop fatness in the vallies of the Red River and Winnipeg, to the very mouth of the Saskatchewan. On the west again the country is equally favoured by what we, in our ignorance of first causes, call a freak of Nature. A great dip or depression takes place in the Rocky Mountains just at the boundary line (the 49th parallel), and through this hollow pass, scooped out by Nature, pour the balmy and fostering gales of the Pacific, which circulate all over the prairies and float down the Saskatchewan, at the mouth of which they meet and mingle with the southern currents, already mentioned, coming up from the Mississippi. Both these radiations of tropical heat, the southern and the western, from time to time encounter the prevailing northern winds, which descend keen and fierce from the caverns of perpetual ice; and being chilled by the contact, condense into heavy clouds, and precipitate themselves, sometimes in torrents of rain, sometimes in light and refreshing showers, over the whole regions which compose the Winnipeg Basin. Hence the mois-

ture and teeming vegetation which characterise the whole of this country, and, notwithstanding the severity of its winter, the length, the warmth, the prolificness, the beauty of its summers. Its summer isothermal passes through the Azores and the centre of France. The country produces almost every crop and every plant which belong to the Temperate zone, and that with a fulness, fineness, and luxuriance which few of our northern kingdoms can equal.

Besides the richness of its vegetable growth, the whole Territory is no doubt amply stored with minerals. But I do not dwell upon this, because our present object is more particularly to bring out its capability for agricultural settlement; and as there has been nothing like a mineral survey made, only scattered and superficial observations, our information on that branch of its resources remains meagre and indefinite. However, I may as well notice in passing, that traces of mineral have been perceived almost everywhere. Iron and copper in the Granite region, and gold has lately been discovered on the American side, to the west of Lake Superior, and no doubt will soon be traced in ours. Limestone on the Red River. Salt springs all through the prairies. Coal near the Couteau-ground on the frontier. Iron and coal on the Saskatchewan, and now also the cry of gold on the Saskatchewan is beginning to be raised.

Rupert's Land has the golden domains of British Columbia, the mineral wealth and maritime capabilities of Vancouver's Island, immediately on its west. It has a brotherhood of hardy and thriving British provinces, Canada taking the lead, and the means of continuous water communication with the Atlantic on the east. On the south it has the young swarming hives of

American States, with the broad bosom of the Mississippi inviting commerce, with access to the network of railways now converging upon Minnesota. It stands almost midway between the toiling, hard-working, money-making, and money-spending nations of Europe, and the ancient civilizations, the rare and highly coveted treasures of the East, and midway also to the new-born and richly productive continents and islands of the South Pacific. The time is perhaps not far distant when, by this Territory being opened up, the British traveller, or British merchandise, may pass from London to Canton, to Nangasaki, to Auckland, to Sydney, or make the return, without ever quitting British soil, or only quitting it for the great ocean, the free common pathway of all nations.

The Red River Settlement is the one solitary little colony in all this Territory, now half a century old, 10,000 strong, with its Selkirk town, named after its founder (of whom more anon), baptized in blood, cradled in the blast—the child of scorn, neglect, adversity; yet struggling into manhood, full of free bold life, growing into a settled community, with smiling farms, well-filled shops, steamers plying upon the river, its little “Nor’-wester” newspaper, racy of the soil, schools that would put many of our own to shame, and churches where every variety of worshippers offer up their prayers as their own soul dictates, with no one to make them afraid. The Prairies undulating west and north-west of the Red River can be easily traversed in all directions with waggons or on horseback. The rivers roll almost without interruption for thousands of miles, and capable of being navigated, from the Canadian Lakes and the head-waters of the Mississippi into the very shadows of the Rocky Mountains. In

time the Iron Highway from our own country to China, Japan, New Zealand, Australia, and for that part to India, will span the Fertile Belt—the only practicable route, it is now believed, across the American continent to join the Atlantic and Pacific. A new Empire will burst from the soil, which now knows only the feet of wandering Indians and the tramp of long herds of buffalo.

II. THE TITLE.

In the 16th and 17th centuries all the famous navigators and discoverers were bending their sails to the West, over the Atlantic main, to find there the gateway into India, and that *East* which had long haunted every mind with dreams of almost unearthly wealth and gorgeousness. Seeking a land of fable, they found what has turned out to be a land of the most glorious reality—the Continent of America. All the great powers of Europe soon filled its Atlantic sea-board, for beyond the sea-board, into the unknown forests and wildernesses, they could scarcely be said for many ages to penetrate. Spain took possession of South America and of Florida. England had all the intervening country from Florida to Canada; and Canada was held by the French.

There still remained a wide territory to the north of Canada. That was entered in 1610 by Henry Hudson, who gave his name to the famous Bay, and who took possession of the territory in the name of the Crown of England.

For many years no regard was paid to this extreme northern part of the continent. People were doubtless deterred from visiting it by its supposed Arctic and dismal character. At length a body of merchants and adventurers, under the patronage of Prince Rupert, second cousin of Charles II. directed some expeditions

into that quarter; and being impressed with its resources, and with the notion that they would find in that direction a North-west passage to the Pacific, they applied for and obtained a Charter from the Crown in 1670, constituting them into the *Hudson's Bay Company*.

This is the title by which we still hold our possessions and rights.

With the Charter most of the shareholders have lately become familiar, and I shall run very rapidly over its leading provisions.

1st. There are the usual incorporating powers to carry out the purposes of the Charter.

2nd. Powers of management and direction, but of a wonderfully liberal and popular character, throwing the whole real power into the hands of the shareholders, without proxies, only those personally present at the Court Meetings.

3rd. The grant of exclusive trade, not in furs only (which in fact are not specified), but in all kinds of trade by land or water, and in fisheries and mines.

This clause declares, that the Territory shall be one of the British "*plantations or colonies* in America," and shall be called "Rupert's Land."

4th. There is the grant of the absolute property of the Territory; "the Governor and Company" being "the true and absolute lords and proprietors of the same territory," holding in freehold of the royal manor of East Greenwich in Kent. *Ex facie* then as good, sure and indefeasible a title as any held by the Duke of Bedford, or the Marquis of Westminster, or any other the most undoubted proprietor in the kingdom.

A loose objection has been raised, that the title is uncertain, but there is no such uncertainty. When the grant is carefully analysed, it is found, as Sir Samuel

Romilly and other eminent counsel pointed out long ago, to amount to a grant of all land, territory and other subjects *within the water-shed of Hudson's Bay*. This is a perfectly good and clear description. A water-shed is quite capable of being accurately traced and laid down. According to my recollection of title-deeds, this of a water-shed is a common bounding description of the estates of very large proprietors. If there be any vagueness at any point of the water-shed, that vagueness is removed and cured by the course of possession that follows upon the title.

This title has been the subject of critical dissection, and the subject of opinions of counsel for upwards of a hundred years, and by this time we should pretty well know what is the net result of all this keen and practised scrutiny. I believe it comes to this:—

(1) Almost all the jurists have agreed, that the title to the freehold is valid and indisputable; it is a perfect freehold title to the land.

(2) They have almost equally agreed, that the grant of exclusive trade is invalid; that the Crown alone could make no such grant, and that it would have required for its confirmation the sanction of Parliament.

(3) Many jurists have also doubted the validity of the grant of general exclusive government and jurisdiction over the territory, and affirm that the Crown could not, without the concurrence of Parliament, make over such a delegation of the public authority.

At the same time they acknowledge that, although the Charter does not carry exclusive trade, yet the Company, as sole owners of the land, had a right to exclude trespassers, and thus might secure, in a different form, something like exclusive trade; and that, although the Charter does not carry exclusive jurisdiction, yet

the Company, as sole owners of the land, had a right to make and execute lawful bye-laws and regulations amongst their servants, agents, tenants and assignees, and thus might exercise, in a different form, something like exclusive jurisdiction. But in neither case, under the Charter, only as owners of the land.

The freehold good—the monopoly bad—the jurisdiction more than doubtful—the Company therefore only legally incorporated to the effect of holding, disposing of, and managing the land—this comes to be about the result of the opinions of all the most eminent counsel for the last hundred years.

It may here be noticed, that the Company has hitherto relied and acted on those grants of the Charter now held to be illegal—the exclusive trade and jurisdiction; and has made little or no use, has in fact ignored and carefully and purposely thrown aside, the alone grant which was legal—the freehold right to the land.

The freehold of two-and-a-half millions of square miles! No doubt this sounds to the ear prodigious—a freehold in a Continent nearly as large as Europe. This result could not be foreseen or contemplated by the original grantor and grantees, to whom the interior was enveloped in darkness. But the conveyance was a sufficient warrant; and time, events, and possession have swelled out and knit together this magnificent inheritance. The one sole estate of the kind now remaining in the world—a private Corporation, lord of two-and-a-half millions of square miles. But magnitude has no effect upon title. The vastness of an estate cannot weaken the force of the Charter. A good title is a good title, whether it be for a cottage or a continent.

III. THE HISTORY.

I do not mean to go at large into this history, but only into so much of it as tends to illustrate—

(1.) That the Hudson's Bay Company formerly were not unfavourable to settlements within their territory.

(2.) That, though certain rivals and antagonists from an early period, and though at a later period certain Canadian partisans, and latterly the Canadian Government, have kept up a running fire of cavils against the Company's title, they have either been defeated, or have failed, and have positively refused, when opportunity was given to them, and when they were challenged to the combat, to raise and try the question of the Company's Charter.

(3.) That the Imperial Government have always respected and supported our title, have on all occasions declared that they have no ground to challenge it, and have always made it a condition of any diplomatic negotiation about a transfer of the possession of Rupert's Land, that arrangements should first of all be come to with the Hudson's Bay Company.

1670.

For many years, after taking possession under the Charter, the Company do not seem to have pushed their establishments much beyond the shores of Hudson's Bay; but the natives came down from all parts of the interior, and brought skins and furs and similar articles, receiving in exchange the various goods which they required. The natives were in fact the Company's hunters and trappers, acting in their employment; and such use and occupation by the natives on their account

was really the possession of the territory by the Company—the only kind of possession of which it was then susceptible; for agricultural or any other civilized mode of settlement was at that distant period entirely out of the question.

It is quite true, that at this time the boundary between Rupert's Land and the French colony of Canada, was not precisely fixed, nor has it ever been precisely fixed. But this is not peculiar to Rupert's Land. There are few neighbouring countries in the world that have their boundary-lines absolutely and exactly settled; there are almost always some disputed points, some questions of rectification. The Company have offered over and over again to concur with Canada in submitting the question of boundary to any competent court, or to arbitration; but the Canadians on one pretence and another have always held back, or refused. It has been their game apparently to fight in the shadow, to fish in troubled water; and by stirring up doubts and uncertainties, and never bringing them to a solution, either to frighten the Company into some rash compromise, or to mislead the British Government to aid and abet them in their hollow pretensions and unjust designs. Hitherto they have been foiled:—and so they will be, so long as the Company have manliness, and the British Government a sense of justice—which I hope will be for ever.

The French in Canada had an evil eye against this new-arrived Company of British adventurers, who were planting themselves so firm on the northern territory. Taking advantage of the unfixed state of the boundaries, they not only roved and hunted over the whole territory without regard to boundary, but, insolent in their military force against a few comparatively defenceless

traders, they frequently marauded to the very shores of Hudson's Bay, and burned down, plundered and spoiled the forts and factories of the Company. In a few years upwards of £120,000 worth of the Company's property was thus destroyed; but somehow they flourished bravely notwithstanding, commonly dividing 50 per cent., and often trebling their capital without the shareholders paying any subscription.

I notice these old maraudings of the Canadian French, because it is very much on these that the later Canadians have endeavoured to fabricate some kind of claim to a great part, if not the whole of the Hudson's Bay Territory. A respectable origin certainly, for a claim of proprietorship! as if somebody were to claim an estate in Norfolk, because his grandfather and great-grandfather long ago used to poach there, and shoot the partridges and pheasants, and occasionally a troublesome gamekeeper who came out to prevent them. In these poachings and maraudings there was not a vestige of legality, and no legal right could accrue to any one from such unwarranted and predatory incursions.

1748.

The first recorded attempt, so far as I have seen, was made this year to challenge the validity of the Company's Charter, and have it declared void.

This was by a Petition to the Crown on the part of certain "Subscribers for finding out a passage to the Western and Southern Oceans of America," praying for incorporation, and for possession in fact of the same territories as were contained in the Hudson's Bay Charter. The latter Company of course opposed them.

The petition was referred to the Privy Council, and was again by them referred to the attorney and solicitor-

general of the day, Sir Dudley Ryder, and William Murray, afterwards the celebrated Lord Mansfield, who heard counsel both for the Petitioners and for the Hudson's Bay Company.

Their Report, dated 10th August 1748, sets forth—

"The Petitioners insisted on two general things, that the Company's Charter was either void in its original creation, or became forfeited by the Company's conduct under it."

* * * * *

"As to the first, the Petitioners endeavoured to show that the grant of the country and territories included in the Company's Charter was void for the uncertainty of its extent, being bounded by no limits of mountains, rivers, seas, latitude or longitude; and that the grant of the exclusive trade within such limits as these were, was a monopoly, and void on that account.

"With respect to both these, *considering how long the Company have enjoyed and acted under this Charter without interruption or encroachment*, we cannot think it advisable for his Majesty to make any express or implied declaration against the validity of it till there has been some judgment of a Court of Justice to warrant it."

* * * * *

"As to the supposed forfeiture of the Company's Charter by nonuser or abuser, the charge upon that head is of several sorts, viz. that they have not discovered, nor sufficiently attempted to discover the North-west passage into the South Seas or Western Ocean; that they have not extended their settlements through the limits of their Charter; that they have designedly confined their trade to a very narrow compass; and have for that purpose abused the Indians, neglected their own forts, ill-treated their own servants, and encouraged the French.

"But on consideration of all the evidence laid before us by many affidavits on both sides we think these charges are either not sufficiently supported in point of fact, or in a great measure accounted for from the nature or circumstances of the case."

The Crown acted upon and confirmed this Report; the Petition was refused, and the Company left in undisturbed enjoyment of their property and rights.

By this solemn State-proceeding the Crown acknowledged—

a. That the Hudson's Bay Company had then, for 78 years (from 1670 to 1748), possessed the territory "*without interruption or encroachment.*" Contrary to the allegations of recent writers, having no such means of ancient knowledge, venting guesses for facts, that the possession of the Company was interrupted, encroached upon, and defeated from the very beginning.

b. That, even if the extent of the Charter was originally uncertain as to limits, it was now rendered certain, and the limits legally defined, by long and uninterrupted possession.

c. That (so far differing I admit from a later Opinion, to which I shall afterwards advert,) the same lengthened possession had confirmed and validated the grant of exclusive trade.

d. That, under the conditions in which they have been placed, the Company had not lost right to any portions of their territory in consequence of their not fully occupying or using them.

e. That they had not given up to the Canadian French, or been legally deprived by them of any portion of territory belonging to the Company under the Charter.

1763.

The French now made a total surrender of Canada to the British, so there was no longer any conflict of government. The whole American continent became British from the Arctic ocean to Florida; and Canada, equally with Rupert's Land, was a colony or province subject to the British Crown.

1783.

For many years, however, after the surrender of Canada, multitudes of the inhabitants continued, after the old French fashion, to roam and hunt and maraud over the North and North-west territories, without any distinction whether the territory was Canadian, or belonged to the Hudson's Bay Company. These poachings took a head in 1783, when the North-West Company of Canada was formed, chiefly as a fur-trading Company; and its adventurous spirits at once flung

themselves broad-cast into the territory, in defiance of the Hudson's Bay Company, hunting and trading up to the Bay itself, and along the western prairies and river-courses, over the Rocky Mountains to the Pacific. Such a daring and formidable competition, instead of cowing, roused up the Hudson's Bay Company to equal determination. They came down from their more northern retreats, encountered their rivals on the broad hunting grounds, and by stratagem and by force tried to expel them. The hunters on both sides became soldiers; the Indian was called in with his tomahawk, as well as his bow and arrow; murderous attacks, bloody battles, cruel massacres ensued; and the herds of buffalo were grazing in safety, whilst the White Men were reddening the prairie-grasses with each other's blood.

1812.

In the midst of these scenes of violence, rapine, and carnage, one little ark of promise suddenly upheaved on the Red River,—I mean in the formation, now more than half a century ago, of the first and still (with exceptions too trifling to mention) the only settlement in Rupert's Land.

This was the work of a man whose name has nearly sunk in the stream of Time, but will yet re-appear in its native strength and lustre. Thomas Earl of Selkirk, about forty years of age, in the prime of his life, in the noon-tide of his enthusiasm and benevolence. A Scottish nobleman, descended from the doughty Douglasses of old, with much of the hard strong will of the old barons, but more of the liberal ideas and practical reforms of the modern statesman, bent upon spreading civilization, and elevating the masses of mankind above want and misery. For the present I can

only bow to his shade as it passes, and recognize in him the same majestic lineaments which mark his brother-heroes, the Smiths of Virginia, the Penns of Pennsylvania, the Baltimores of Maryland, who laid the foundation-stones of American greatness and progress. He was less fortunate than they, in the obscurity of his early theatre, the seeming failure of all his efforts, and in altogether wanting a "sacred poet" to commemorate his fame. By him was the first Red River Settlement founded; by him was that settlement guarded for many years with paternal fondness and anxiety; by him was it cherished as the sign of a new era, as the little root that would swell and spread, and become part of some future new empire of humanity. From some passages in his little work on "The British Fur Trade in North America," we infer that the Hudson's Bay Company at that time were well disposed and prepared to carry out a system of such settlements in their territory. Gazing at the infant settlement in 1816, with a father's pride, yet with a father's disappointment, and turning for relief, as all noble minds must, to the hopes of the future, he exclaims with prophetic glow: "*It is a very moderate calculation to say, that if these regions were occupied by an industrious population, they might afford ample means of subsistence to more than thirty millions of British subjects!*"

1821.

The North-West Company meanwhile had abated none of their hostility against the Hudson's Bay, and amongst other attempts took Opinions from time to time of all distinguished counsel, to see whether they could not attack and overthrow the Charter. Edward Ellice, the Coryphæus of the North-west, before he carried

the weight of his abilities and influence into the service of the Hudson's Bay, admitted long afterwards, before the Select Committee of 1857, (to which I shall presently have occasion to allude,) that all those Opinions, though taken at the instance of the North-West Company, agreed more or less strongly, that the Hudson's Bay Charter was a good conveyance of the *freehold*; though many cast doubt upon the exclusive trade and government. The North-West Company, with all their money and all their animosity, never dared to raise in any tribunal the question of the validity of the Hudson's Bay Charter.

After long-continued, bitter and sanguinary conflicts, the two Companies, having exhausted each other's exchequer, became sobered by poverty, and like the modern Railway companies, thought of uniting when their quarrels had reduced them both nearly to beggary. They amalgamated in 1821, under the name of the Hudson's Bay Company, and under the wing of the Charter. The British Government, as a dowry to the impoverished couple, presented them with a license of exclusive trade over the whole Indian territory west of Rupert's Land, over the Rocky Mountains to the Pacific, including what has since been constituted into the colony of British Columbia. This license was terminable in 21 years, but in 1838 was renewed, again terminable in 21 years, or in the year 1859.

The only occupation that the Canadians can pretend in Rupert's Land from 1783 was the occupation, such as it was, of the parties forming the North-West Company, by themselves, their hunters, traders, and servants. No other class of the Canadian people went into these remote and almost inaccessible regions. The rest of the Canadians—good, plain, slow, sturdy fellows

—were ploughing and digging away on the St. Lawrence and Lake Erie, or bringing down lumber by St. Anne's. There was no Canadian occupation, except through the North-West Company. The benefit of that occupation therefore, whatever was the value of it, was brought, on the amalgamation of 1821, in aid of the Hudson's Bay Charter. Whether it was mere poaching, as I assert, or whether it had any legal effect, this use and occupation of Rupert's Land from 1783, passed, on the amalgamation of 1821, to the account of the Hudson's Bay Company and their Charter. And it cannot be pretended that since then, that is for the last 45 years, Canada has enjoyed or kept up any kind or shadow of occupation of Rupert's Land. The whole recent, authentic, verifiable possession that can count for any thing in law, has been by the Hudson's Bay Company. All the rest is old wives gossip—antediluvian stuff, an amusement for antiquarians, but despised by the practical lawyer. I shall have occasion to substantiate, from their own lips, that this much-paraded claim of Canadian right to Rupert's Land was a mere nightmare dream that came into their heads *about the year 1857.*

1848-9.

The Company, freed from all rivalry, Canada and the United States still far off, the natives bowing to them as a Manitou, the settlers few, and all their own subjects, went on swimmingly for many years, almost reviving the old dividends.

About 1848 the Imperial Government began to feel some anxiety about Vancouver's Island, lest it might fall a prey to the "annexing" Yankees; and as the best measure for its preservation and development,

resolved to place it under the management of the Hudson's Bay Company. This was accordingly done in 1849. A license of exclusive trade and management was granted for 10 years, terminable therefore in 1859 (the time of expiration of the similar license over the Indian Territory).

This was the palmy time of the Hudson's Bay Company. Its possessions and powers were then at their zenith. They held Rupert's Land by the Royal Charter, which was perpetual. They held the whole Indian Territory to the Pacific by an exclusive license, which was terminable in 1859. They held Vancouver's Island by a similar license, also terminable in 1859. Three different possessions by three different titles. The Company is believed at this time to have had under its sole sway about 4,000,000 square miles—a dominion larger than the whole of Europe.

But at the very time of the license over Vancouver's Island being granted, Parliament, in July 1849, had, under various influences, passed a resolution requesting the Government to "ascertain the legality of the powers in respect to territory, trade, taxation, and government, which are, or recently have been, claimed or exercised by the Hudson's Bay Company, on the continent of North America, under the Charter." At this time the inhabitants of Red River, who professed to have, and probably had, many causes of complaint against the Company, appeared publicly against them, in the persons of Mr. Isbister and Mr. M'Loughlin, natives or residents of the Red River. The Colonial Minister, Earl Grey, as the Government did in 1784, submitted the question to the attorney and solicitor-general, Sir John Jervis and Sir John Romilly; and these learned gentlemen, officially at the head of their profession, and undoubtedly

able lawyers, and under the most serious responsibility to Parliament and to the Government, returned the following Opinion.

"Having regard to the powers in respect of territory, trade, taxation, and government claimed by the Hudson's Bay Company in the statements furnished to your Lordship by the Chairman of that Company, we are of opinion *that the rights so claimed by the Company do properly belong to them. Upon this subject we entertain no doubt.*"

The learned gentlemen then added—

"But as it will be more satisfactory to the complainants against the Company, to the promoters of the discussion in the House of Commons, and possibly to the Company themselves, if the questions are publicly urged and solemnly decided, we humbly advise your Lordship to refer these questions to a competent tribunal for consideration and decision, and to inform Mr. Isbister that he may appear as complainant, and the Company that they may be heard as respondents upon the argument."

They then suggest what ought to be the particular form of legal proceeding.

The Government, with the concurrence of the Hudson's Bay Company, put it to Mr. Isbister and Mr. M'Loughlin, if they would adopt the course pointed out, and appear as complainants in such suit, so as to try the legality of the powers claimed by the Company under their Charter. Both these gentlemen refused, and upon a ground which I must characterise as disingenuous and irrelevant, a ground which was afterwards repeated as a cuckoo-song by other parties who in course of time came forward to attack the title. The ground was shortly this:—that the inhabitants of the Red River, through their representatives, were not called upon to raise the action against the Charter; that the duty of doing this devolved upon the Imperial Government. It is a very invidious, a very rare and extreme measure, for a lord to attack the title of his own vassal—to tear up the charter which he has granted under his own hand and seal. Still a case may be supposed, and indeed has sometimes happened, where the lord has so raised action against his own vassal's title. But in such a case he has been

instructed by his responsible advisers, that the title is manifestly and flagrantly bad ; and also that his interests are prejudiced by it. But in the present instance, the Crown was advised, (as it had been in 1748, but this time in far more strong and unqualified language), that *ex facie* the Charter was good and indisputable; that the Crown had no cause or excuse to impugn it. Under such advice the Crown could not take action, without the most glaring injustice, partiality and inconsistency. It remained then for the objectors to take the initiative; and if they refused, the matter was at an end.

This was the conclusion to which the Government came, and which was forcibly and tersely expressed in the closing letter of the Colonial Minister.

“ Lord Grey having on behalf of Her Majesty’s Government, adopted the most effectual means open to him for answering the requirements of the Address, has been obliged, in the absence of any parties prepared to contest the rights claimed by the Company, to assume the opinion of the Law-Officers of the Crown in their favour to be well-founded.”

But you will naturally inquire—where were the Canadians in 1849? The Hudson’s Bay Charter was assailed in the British Parliament; it was being subjected to a rigorous investigation by the British Government; and Mr. Isbister and Mr. M’Loughlin came dragging all the way from the Red River to do their best to blow it up. Where were the Canadians? According to their modern pamphleteers, they—about three millions of people—had been for two hundred years robbed, plundered, abused, and oppressed by the handful of Hudson’s Bay traders, had been kept out of their rights, and barred by some kind of witchcraft from entering and taking possession of the whole country to

the Pacific. Here then, in 1849, was the time for fell revenge. Earl Grey was holding out the Charter for any body to come and tear it to pieces that could. Then where were the robbed, plundered, abused Canadians?

It must be confessed that they were fast asleep—in a state of dead unconsciousness as to their having any rights that had been stolen, any rights to claim or recover. In the Committee of 1857 (to which I am just about to pass in my narrative) Lord John Russell naturally puts this very question to the leading Canadian witness, Chief Justice Draper:—

“When the opinion of Lord Grey was known in Canada (that is in 1849), was there a disposition to acquiesce in the mode pointed out by Lord Grey?”

“*I am not aware*”—answers Chief-Justice Draper—“*that the matter was in any way discussed or considered in Canada at that particular period: I do not think it was.*”

Lord John Russell (somewhat surprised no doubt at this naïve confession on the part of the deeply injured Canadians):—

“*Has it been since?*”

“*I cannot say that it has: I am not able to answer the question.*”

Another authority, almost equal to Chief-Justice Draper, John Ross, member of the Canadian Parliament, confirmed this extraordinary case of sleep.

Mr. Labouchere.—“*Have those questions only recently occupied public attention in Canada, or have they been discussed for some time there?*”

Answer.—“*I think it was during the very last summer that the discussion first commenced upon the subject*”—that is the summer of 1856.

The Canadians, robbed of half a continent since 1670, fell fast asleep, like Rip Van Winkle, but drowsier than he, slept for 200 years; then starting up and rubbing their eyes, raised an outcry that has echoed all over England: “Where’s our Red River gone? and our Western Prairies? Where’s our Saskatchewan? and who stole the Rocky Mountains?”

Uncharitable people will conclude, that a dreadful robbery, which the victim could sleep over for 200 years, never had any existence but in his own diseased imagination.

1857—8.

For seven years the Company seem to have moved on unmolested and prosperous, ruling and trading over their vast dominions. But as the time approached (1859), when their licenses over the Indian Territory and Vancouver's Island would expire, attention was again drawn to their position and claims. The Canadians—or at least some who assumed to be their leaders—were now rubbing up their eyes, and working themselves into a belief that the Company had robbed them of their rights for the last two hundred years, and that they were entitled to the whole continent. The Imperial Government was dropping into the conclusion that the time had arrived to form Vancouver's Island and the Indian Territory into British colonies. Out of this ferment of circumstances there again came up an agitation to inquire into the Hudson's Bay Company—which seems to be a periodical mania with a certain class of politicians. In February 1857, when Mr. Labouchere was Colonial Minister, a motion was carried in the House of Commons, “that a Select Committee be appointed to consider the state of those British Possessions in North America which are under the administration of the Hudson's Bay Company, or over which they possess a license to trade.”

This was the most searching and unsparing inquiry that was ever made into the position of that or any other public company. I cannot, with my present limited object, and the short time at my command, enter into details; but I cannot help recording my conviction

as I pass, that the Company came well out of the ordeal—as well as poor human creatures and poor human institutions can ever come out of any strict and merciless examination.

The meeting of the Select Committee of 1857 was a great field-day for the opponents of the Company. It was attended by our old acquaintances of 1849—Mr. Isbister and Mr. M'Loughlin, whose hostility time had rather embittered than abated. But a much more august personage appeared on the scene—Canada, almost in *propria persona*—"The Honourable William Henry Draper, C.B., Chief Justice of the Court of Common Pleas of Upper Canada," and who had been commissioned by the Government of Upper Canada "to undertake the duty of coming to England for the purpose of watching the investigation." Not merely however of watching the investigation before the Committee, but also of bringing the question of the Company's Charter and whole rights before some competent tribunal. Being asked on the 28th May, 1857, "Do you believe that the province of Canada would be disposed themselves to raise the question of the validity of the Charter of the Hudson's Bay Company, either in whole or in part, before either the Judicial Committee of the Privy Council, or some other tribunal?" he answers, "I can best answer that question by stating that I have express instructions and authority to retain counsel to represent the province, whenever in my judgment it is necessary." He adds, "If her Majesty's Government were broadly to say that Canada must appear before the Judicial Committee of the Privy Council for the purpose of determining her boundaries, I apprehend that my instructions go the full length of enabling me to do so."

Now then the battle closes in earnest, and must be

sharply decided. No more skirmishing, but a stand-up fight between Canada and Hudson's Bay for the title to the North-West!

The Government, anxious that this vexed territorial question should be determined, but equally anxious, as every British Government of whatever party is, and ever will be, till our national character is debased, and our constitution subverted, that legality shall be paramount over every other consideration, — the Government, I say, again referred the matter, in June 1857, as the Governments of 1748 and 1849 had done, to the responsible law-officers of the Crown.

The attorney and solicitor-general at this time were Richard Bethell, now Lord Westbury, and Henry, now Judge Keating. I think there is no man in this meeting, or in this country, who has any intelligence in public affairs, any knowledge of the status of public men, but will agree that this age has not seen a greater jurist, a surer legal guide, than Richard Bethell. With a mind of rare combination, as acute as profound, with severe early training, and a comprehensive knowledge of all jurisprudence, with a largeness and equipoise of powers that always made him strike the true medium, with that innate wisdom which enabled him almost unerringly to prophesy legal results, the Opinion of Richard Bethell is the nearest thing we can have in weight and authority to an ultimate judgment of the House of Lords, or of the Privy Council. In this instance he was delivering his opinion, not as an *ex-parte* advocate, but as a responsible officer of the Crown, sworn to advise truly, for the guidance of the Government, on a matter raised by the House of Commons, and on which the brightest luminaries of the law for a hundred years had spoken. He was called upon to advise, with all sources of information now thoroughly

ransacked, with the American colonies on the watch, and the eyes of the jurists and politicians of both sides of the Atlantic upon him.

I cannot pass cursorily over such an Opinion from such a man; I must give it nearly at full length. Anxious as I am to save time, I must claim some indulgence at this point; our whole case lies here; this is the highest authority on our title; and on our title our whole future policy depends.

Without making any preliminary quotations, the following then is the true substance of the Opinion:—

"The questions of the validity and construction of the Hudson's Bay Company's Charter cannot be considered apart from the enjoyment that has been had under it during nearly two centuries, and the recognition made of the rights of the Company in various acts both of the Government and the Legislature.

"Nothing could be more unjust, or more opposed to the spirit of our law, than to try this Charter as a thing of yesterday, upon principles which might be deemed applicable to it if it had been granted within the last ten or twenty years.

"These observations however must be considered as limited in their application to the territorial rights of the Company, under the Charter, and to the necessary incidents or consequences of the territorial ownership. They do not extend to the monopoly of trade (save as territorial ownership justifies the exclusion of intruders), or to the right of an exclusive administration of justice."

* * * * *

"In our opinion the Crown could not now with justice raise the question of the general validity of the Charter; but . . . on every legal principle the Company's territorial ownership of the lands granted, and the rights necessarily incidental thereto (as, for example, the right of excluding from their territory persons acting in violation of their regulations), ought to be deemed to be valid.

"But with respect to any rights of government, taxation, exclusive administration of justice, or exclusive trade, otherwise than as a consequence of the right of ownership of the land, such rights could not be legally insisted on by the Hudson's Bay Company as having been legally granted to them by the Crown."

* * * * *

"The Company has, under the Charter, power to make ordinances (which would be in the nature of bye-laws) for the government of the persons employed by them, and also power to exercise jurisdiction in all matters civil and criminal; but no ordinance would be valid that was contrary to the common law, nor could the Company insist on its right to administer justice as against the Crown's prerogative right to establish Courts of civil and criminal justice within the territory.

* * * * *

"The remaining subject of consideration is the question of the geographical extent of the territory granted by the Charter, and whether its

boundaries can in any and what manner be ascertained. *In the case of grants of considerable age, such as this Charter, when the words, as is often the case, are indefinite or ambiguous, the rule is, that they are construed by usage and enjoyment.*

* * * * *

"Under these circumstances we cannot but feel that the important question of the boundaries of the territory of the Hudson's Bay Company might with great utility, as between the Company and Canada, be made the subject of a quasi-judicial inquiry."

And then Counsel suggest, that the inquiry might be conducted of consent before the Privy Council.

Opinion can be carried no further. You may consult for a hundred years, and throw away ten thousand guineas, but higher or more authoritative than this, there can be none. Short of a final judgment—which no opponent will venture to demand—the *Opinion* which I have read is the best and most undoubted exposition of law on the Hudson's Bay title.

It amounts to this:—

a. That our title must be construed by possession and usage, and public acts of recognition.

b. That our title is indisputable to the lands or territory, and all rights incident to ownership.

c. But does not cover exclusive trade, or exclusive jurisdiction, except so far as these may be incidents of ownership, and of lawful ordinances made by the Company as owners.

d. It follows that the Crown has no right, cause or pretext to initiate any proceedings for trying the validity of the Company's Charter, but must hold and treat it as good and valid.

e. But there are obscure points of boundary between Canada and Rupert's Land, which might with propriety be tried or submitted before some competent tribunal.

On receiving this *Opinion*, the Government inquired of the Hudson's Bay Company if they would agree to go before the Privy Council, on the question of the

disputed boundaries. They readily consented. The correspondence with the Canadian Government is not published, so far as I know, but it is evident from the result that they refused to take any action—would neither concur in a trial of the boundaries, nor raise proceedings to try the validity of the Charter. And so the Honourable William Henry Draper, C. B., Chief Justice and Commissioner of Canada, disappears from the stage—as lamely and impotently as Messrs. Isbister and M'Loughlin had done before.

1858—59.

The Canadians seem for a while to have remained dormant and uncertain how to act; but in August 1858, when the trading licenses were about to expire, Sir Bulwer Lytton being Colonial Minister, the Legislative Council and Assembly, in short the Parliament of Canada, sent over an address to the Queen, setting forth that there was then “a favourable opportunity for obtaining a final decision on the validity of the Charter of the Company, and the boundary of Canada on the north and west.” They then represent, “*That Canada should not be called upon to compensate the said Company for any portion of such territory from which they may withdraw or be compelled to withdraw; but that the said Company should be allowed to retain and dispose of any portion of the lands thereof on which they have built or improved.*” This last is a very candid, if neither a very honest nor dignified confession. The Canadians don't want to pay. They remind me of the Irish fellow I met in a boat on the Dublin Canal, who said—“I like whiskey, but I don't like to pay for it.” The Canadians like Rupert's Land, but they don't like to pay for it.

Sir Bulwer Lytton, who showed himself, if not a partisan, at least animated by a kind of sportman's keenness, proposed to the Company to join in setting up their Charter as a target to be fired at. Mr. Berens, then Deputy-Governor, returned this memorable answer: "*The Company cannot be an assenting party to any proceeding which is to call in question rights so long established and recognized; but they will of course be prepared to protect themselves against any attempt that may be made on the part of the Canadian authorities to deprive them, without compensation, of any portion of the territory they have so long been in possession of.*"

Sir Bulwer, after rhetorically scolding Mr. Berens for his obduracy, felt that after all a Colonial Minister must restrain his fancy, and be guided by the dry legal opinion of his attorney and solicitor-general, then Sir Fitzroy Kelly and Sir Hugh Cairns. Again a fourth recorded time (besides possibly many unrecorded occasions,) was the question of the Hudson's Bay Charter referred to the law officers of the Crown. Their Opinion has not been published; but obviously it was the same as those of their numerous predecessors; for they advised the Crown not to interfere, and that the only way of trying the question was for the Canadian Government to raise a writ of *scire facias* for the repeal of the Charter.

Armed with this Opinion, Sir Bulwer turned briskly to the Canadians, hoping that he would find in them more sympathising natures than in obdurate Mr. Berens. "Procure the writ!" he cries to them chivalrously, in his dispatch of 22nd December, 1858. But when the Canadians, who like Paddy didn't want to pay, found that the then law-officers of the Crown just repeated the

same advice as their numerous predecessors, found that the opponents of the Charter must try the Charter out of their own pockets, they began quietly to back out, and requested to have some time for consideration. Sir Bulwer could not conceal his disappointment, as the chance of the shooting match began to vanish. He wrote to the Canadian Government, in February 1859, with something like reproach, that their deputation had assured him that the Canadian Government were immediately to institute law proceedings against the Hudson's Bay, and he must at once know their decision. After brooding away for another month, the Canadian Parliament through Sir Edmund Head, their Governor, announced on the 4th of April, 1859, their final resolution.

"I am now for the first time able to inform you, that the Executive Council will not advise steps to be taken for testing the validity of the Charter by scire facias."

This was the unkindest cut of all. The Canadians, after exciting his expectations by a good deal of preliminary bluster, to fling aside their muskets, and not a shot to be fired at the old Charter! Sir Bulwer, so far as appears in the Papers, deigned no reply; and must have sought relief from the commonplace shabbiness of mankind in the fancies which afterwards fed his "Strange Story."

The Canadians had now for the second time a clear stage and fair opportunity, with the Colonial Minister apparently favourable to them, to try the Charter. Yet by an act of their Legislature, communicated through their Governor to the British Crown, they positively and solemnly refused. After this formal act of their Government, it became impossible for them any longer to maintain the attitude of legal objection to the Charter. They could not do this with the smallest self-respect or

consistency; all political parties in this country would laugh at their folly, if they should continue to maintain objections in law, which they had not the courage or honesty to try, when they were challenged and almost baited into the contest.

Since that time therefore the Canadian Government have practically abandoned the question as a legal question, whatever private individuals and pamphleteers may do. They have now publicly proclaimed it to be a diplomatic, or political question, one to be resolved, not on naked principles of law, but on the mixed and equitable rules of policy.

This appears fully recorded in Mr. Cardwell's dispatch of 17th June 1865, relating to the proposed North-American Confederation. Referring to conferences he had then recently held with a deputation from the Canadian Government, he says,—

“On the . . . subject of the North-Western Territory, the Canadian Ministers desired that that Territory should be made over to Canada, and *undertook to negotiate with the Hudson's Bay Company for the termination of their rights*, on condition that the indemnity, if any, should be paid by a loan, to be raised by Canada under the Imperial guarantee.”

On this unimpeachable authority then it is demonstrated that the Canadian Government *no longer treat the question as one of law, but one of political negotiation*—that is, of rational and equitable arrangement.

No doubt, even when they abandon their legal objections, the old virus betrays itself in the phrase—“the indemnity, *if any*.” Thus insinuating that no indemnity may be due—that the Company have no rights. 'Tis a petty inuendo,—miserably petty for a body of men pretending to be a Government, and to be statesmen, and putting on airs as the founders of a new American Confederation. But if this attempt to leave the wasp's sting behind, even when offering negotiation, be any

relief to their irritated pride, baffled so long by the astuteness and vigilance of a private corporation, they are welcome to the use of any such bitter expression. Words will do no harm; we shall be on our guard against acts.

With this historical narrative before you it will be seen, that in 1748 the validity of the Company's Charter was directly attacked and tried in the Privy Council, and after a full investigation was sustained by the Government; that from 1783 to 1821 the North-west Company of Canada were constantly projecting how to annul the Charter on legal objections, but found it was useless, and never ventured upon the attempt; that in 1848-9 the representatives of the Red River malcontents, though pressed by the Government, refused to take any legal proceedings; that the Canadian Government have twice refused since 1857 to take legal proceedings, and the last time in the most solemn public form in which they can act as a community; and that recently, in a form scarcely less solemn, they have receded from the legal ground altogether, and have acknowledged that the question is not one of *law*, but of *political negotiation*.

And yet there are shallow pamphleteers and repeaters of parrot-phrases who keep crying, "O your title has never been tried, your title has never been tried!"

Has the Duke of Bedford's? Has the Marquis of Westminster's? have any of the most solid titles in England? Do you mean to say that no title is to be respected until it has been tried in a court of law? Pleasant news for lawyers certainly, whatever it may be for proprietors,—so many estates, so many law-suits! Did you ever hear of any proprietor, except for friendly or family reasons, mad enough to raise an action against his own title? If you were landlord of a house, and a

wag passing were to say, "I don't believe that man has any right to the house, he has never tried his title," should you immediately rush to your lawyer and command him to raise an action against your title, and have its validity tried, all to satisfy a passing fool? Yet this, which you at once see in your own affairs would be the silliest of jokes to propose, has been gravely propounded as an objection against the Hudson's Bay Company. Pray why are they, of all proprietors since Adam, to be the self-confessed madmen to raise an action against their own title?

But has the title not been tried, to all intents and purposes, as few titles have ever been tried? and has it not always come out clear and triumphant, at least as respects the ownership of the land? I appeal to the foregoing narrative, if it has not been tried to the very core. Independent of many trials, doubtless, of which we have no record, have I not shown that for five recorded times it has passed through the fire, with its substance uninjured, and only annealed by the strength of the flames?

But why say more? why appeal to reason, when it is gross interested motives that are arrayed against us, deaf to the voice of reason? The title is so clearly unexceptionable, that we should never have heard a word against it, but for rancour, and greed, and political ambition as mean and shabby as it is selfish.

IV. NECESSITY OF NEW POLICY.

Fifty years ago—nay much less—this Rupert's Land was away in the ends of the earth—unknown and unapproachable. Its only settlement at the Red River—a collection of huts little better than the Indian wigwams—was about 1500 miles distant from any centre of population, either in Canada or in the

United States. The country, if destitute of cultivation, was also, from its very inaccessibility, safe from aggression.

But within the last 20 years the Far-West of America has been filled up with a rapidity almost unexampled. A small cluster of log-houses multiply in a few years into a city of one or two hundred thousand inhabitants. The states and territories adjoining the boundary-line of Rupert's Land now contain a population of nearly 2,000,000. By the Red River, constant communication has been established between St. Paul, the capital of Minnesota, and Selkirk; and the American population are gradually moving on and on to Pembina on the very frontier. It is the same all along the boundary-line. Gold discoveries, the modern loadstone of population, are being made near the Vermilion Lake, Minnesota, about 80 miles west of Lake Superior, and drawing shoals of adventurers. Gold is found in Montana near the Rocky Mountains, not 300 miles from the head waters of the North Saskatchewan, where gold is also known to exist. Last summer 40,000 American miners were at work in Montana, making sums so incredible that I dare hardly repeat the amount until the circumstances are more fully vouched; next summer double the number are expected. "If the Hudson's Bay Company do not wake up,"—says a private letter which I have seen from an official gentleman in Minnesota, dated in December, 1865—"I am afraid that there will be danger of their losing some of the finest portions of the Valley of the Saskatchewan and its tributaries." Population is up to our very boundary. Flocks of squatters are passing over. That mere imaginary line, which has not even the one solitary sentinel who is said to embody the whole force of the British empire, will soon be forgotten; and there will be an "ugly rush" all over the Prairies

—a rush which, if we are not prepared beforehand, we shall neither be able to control nor regulate. The world wants the land, and *will* have it. Hitherto the Americans have acted with great self-restraint, with great equity, with great consideration of our rights; but if we are to sit for ever motionless and mysterious like the Sphinx, they will soon pass us by with contempt, and utilize for themselves our green valleys and hill-tops,—and our richly stored mines.

If once our boundary is over-leaped, and our territories inundated, two consequences are likely to ensue:—

1st. The squatters will take possession right and left, without any regard to our Charter, and will refuse to pay to a weak private Company either tribute or acknowledgment. They will submit to nothing, take title from nothing, short of some established government, be it the United States or Great Britain.

2nd. This rush of Americans (for it will be Americans chiefly) will soon in some way implicate the United States Government, who know better than we do the value of the Fertile Belt, and that this is the best route to the Pacific. Complications may thus arise, are sure to arise, between the United States and our own Government. In the midst of these complications some panic legislation will be pushed through; the weakest will go to the wall; the Hudson's Bay—a helpless victim between two Colossi—will be sacrificed; an arrangement will be patched up in rough haste, to avert the evils of a war; and as in the case of Oregon in 1846, all our rights and claims, too numerous and intricate to be settled off-hand, will be reserved. *Reserved!*—which means law-suits, or arbitrations, or negotiations, of which I prophesy the youngest shareholder in this room will never see the end.

If you shareholders do not take up the matter seriously, and make up your minds, and decide, and see that your decisions are obeyed,—two years more will not pass till the whole affair is snatched out of your hands. The current of events, too strong for individuals or private companies, will sweep past, and, reckless of you and your rights, will make Rupert's Land the tool of the political necessities of the moment; and your capital of £2,000,000 may go the bottom of Lake Winnipeg! Events have no compassion. He who wants justice and safety must command, not wait events. It is not silence, and mystery, and platitude, and red-tapeism that will save your splendid property; but clear heads, firm steps, and determined wills.

What must be done?

V. THE NEW POLICY.

We have only two alternatives from which to choose; we must either find a purchaser for the Territory, or we must ourselves proceed to settle and colonise it.

SELL or SETTLE—which?

But I have to make a preliminary remark on our condition as a corporate body, which may come greatly to affect our ultimate resolution on the policy of sale or settlement.

I have already explained, that the grant to the Company of ownership of the land is good; but the grants of exclusive trade and exclusive jurisdiction are bad. At the same time the Company are entitled, as an incident of their ownership, to exclude trespassers from their land, and to this extent they might maintain some amount of exclusive trade; and they are entitled, as an incident of their ownership, to pass and enforce lawful bye-laws and regulations, that is to exercise a certain

degree of jurisdiction, amongst their own servants, agents, lessees and grantees, and even over the inhabitants generally, if the Crown do not of its own prerogative interfere or prohibit. The Charter is good only for the ownership of the land, with such rights of trade and jurisdiction only as are the incidents of ownership. The Charter, in short, carries nothing but the land, and the rights inherent in the ownership of the land. *The shareholders, then, are a corporation only for the purposes of the ownership of the land*—to hold, to manage, to cultivate, to settle, to lease, to convey, always reserving the radical ownership. So long as we hold, or settle, or convey, or manage the land, reserving the lordship of the territory, our Charter subsists, we are a corporation. The moment we make an out-and-out sale or transfer, the moment we part out-and-out with the land, *we are a corporation no more*, our Charter is put on the back of the fire, and we are simply 1000 or 2000 (whatever our number be) of isolated, unconnected individuals, having no corporate existence. We may enter into new articles of association, we may register ourselves as a limited company, and thus get new company powers for new purposes. But part with Rupert's Land, the Charter is evacuated—the *Hudson's Bay Company instantly dies*.

I wish to impress this upon you; because there is a vague notion current that we may sell and transfer the land, yet still retain the incorporating powers, still be the Hudson's Bay Company; turn our corporate powers to some new account—work away at our fur and goods trade, or go into tea, guano, or petroleum, or at least become an investing and money-lending company, all under our old Charter.

This is a complete mistake. Our incorporating

powers were given, not at random, not to be used any way, according to our freaks and fancies, but to be applied and restricted to the *specific purposes* (so far as in themselves legal) defined in the grants of the Charter. The only legal and valid portion of these grants, according to our best jurists, is the freehold of the land. Part with this freehold, our Charter is void. We may form a new company, but it cannot be under the Charter. The old flag must fly at the old mast-head: it cannot be hung over a Broker's shop.

Now then, to return to the discussion of the two alternatives—Sale or Settlement?

SALE.

The price to be expected and demanded for the Territory, must be arbitrary; we have no data for laying down a sum certain.

If I have an estate fully occupied and cultivated, it returns a certain annual rental, and that rental multiplied by the usual number of years' purchase, gives nearly about the sum which ought to be paid by a purchaser.

Our estate is not fully occupied, scarcely occupied at all, nor is it cultivated except to a small extent; but it has been used and is necessary as the area and means for carrying on our trade. Ours is a case analogous to the manufacturer or trader who, possessing certain lands, has not used them so much for cultivation, but they have served him and been necessary to him in various ways for the purposes and operations of his manufacture or trade. A Railway Company comes to dispossess him; and without his property his trade cannot be carried on; with the loss of his property he loses his trade. Such cases of compensation frequently occur in the present times; and

the rule of compensation is, that a fair price is allowed for the land taken, and the good-will of the trade is valued, and full indemnity allowed for the loss.

Our case is the very same in principle. If our land is to be taken, and with it (as we shall immediately see) the good-will of our trade, the compensation must be made up from mixed data; and these data are composed of two elements:—

A. The prospective value of the estate to the purchaser;

B. The contingent depreciation and loss in our own trade.

A. Value of estate to purchaser.

Without resorting to general calculations, we have a precedent to guide us here in the neighbouring state of Minnesota, lying close to us, the prototype of what our territory will soon become.

Minnesota was formed into a territory in 1849. It had of cultivated acres in 1850, 5,035, in 1865, 1,000,000, being an increase at the rate of 19,760 per cent. in the course of fifteen years. In 1862 land was selling there at £1. 12s, but lately was rising to £3 and £4 per acre. We shall take as the average price of land in Rupert's Land for fifteen years, the one half only of Minnesota in 1862, 16s per acre. At present the quantity of land under cultivation in Rupert's Land is about 20,000 acres. At the rate of increase in Minnesota, it would amount in fifteen years to 4,000,000. At 16s per acre, that would produce £3,200,000. Our *Australian* experience of annual revenue derived from sales of public land confirms this estimate, or rather proves it to be too low. The quantity and value of land then which a purchaser of the territory would sell in the first fifteen years, may be safely estimated at £3,200,000.

There being, as we have seen, 22,000,000 acres of immediately available land, there would still remain to the purchaser 18,000,000 acres at gradually increasing prices, but even at 16s per acre, worth nearly £15,000,000.

This, independent of all other sources of wealth in the territory, such as fisheries, oils and salt, minerals, the higher price for town allotments, &c. &c.

B. Depreciation or loss of trade.

Our trade is almost solely of two kinds—in Furs exported, and Goods imported.

Our Accounts nowhere show our exact annual revenue from trade.

By the last annual Account made up to the end of May 1865, it appears we have two working portions of capital :—

Money in Investments	£346,601	11	9
„ in Trade	743,985	7	7
	<hr/>		
	£1,090,586	19	4

The return upon these two capitals is not distinguished, but the whole return upon Investments and Trade is lumped as £93,580. 1s 9d. What is the average interest upon our Money investments we are not informed, but for first-class investments, as ours no doubt are, 4½ per cent is a fair average interest to assume. Our whole annual profits being £93,580 1 9

Suppose the Money investments
(£346,601) at 4½ per cent. to be 15,597 0 0

Leaving profits on Trade £77,983 1 9

Say £78,000.

How much of this is for Furs, and how much for Goods, we have no means of knowing; but that is of

no consequence in our present computation. We shall put down our Trade profits at £78,000.

If the land be once purchased and taken out of our power and control, our Charter, as I have pointed out, will be at an end, and we shall cease to be a corporation. But suppose we enter into a new association to continue the prosecution of our trade, then our trade will become, when separated from the ownership and control of the land, so precarious, so exposed to utter extinction, that we could no longer rely upon it as a source of revenue.

(1) All persons who can speak with authority and experience declare, that if the country be thrown open to settlement, and an influx of population take place, with all sorts of characters, desperadoes as well as honest men, the wild and roving as well as the steady and industrious, the fur-bearing animals will be hunted down, driven out of the territory, and speedily extirpated. So has it been in the Far-West of the United States, and would equally be so in the North-West of British America. Much evidence to this effect was given before the Select Committee in 1857. Edward Ellice having stated, on the interrogation of Mr. Labouchere, that in his time the supply of peltry had "diminished probably one-half, if not two-thirds"—adds, "*All the countries easily reached have been entirely destroyed.* The valuable trade of the Hudson's Bay Company is in the remote districts, where, nobody having the power to interfere with them, they preserve the animals just as you do your hares and pheasants in this country." The Committee, with the whole evidence before them, reported that, if the territory were thrown completely open, one consequence would be—"the probability of the indiscriminate destruction of the more valuable fur-bearing animals in the course of a few years." One of

the most recent, candid and emphatic testimonies has been borne by the present resident Governor of Rupert's Land, Mr. Dallas, who, in writing to the Canadian Government in April, 1862, whilst agreeing as to the general benefit of settling the Fertile Belt, thus expresses his conviction that such a settlement would be the doom of the Fur Trade.

"A chain of settlements through these valleys (the Fertile Belt) would not only deprive the Company of the above vital resource (supplies of food from the buffalo herds), but would indirectly in many other ways so interfere with their northern trade as to render it no longer worth prosecuting on an extended scale. It would necessarily be diverted into various channels, possibly to the public benefit, but the Company could no longer exist on its present footing.

"The above reasons against a partial surrender of our territories may not appear sufficiently obvious to parties not conversant with the trade, or the country; but my knowledge of both, based on personal experience, and from other sources open to me, points to the conclusion, that partial concessions of the districts, which must necessarily be alienated, *would inevitably lead to the extinction of the Company.*"

Our success in the Fur-Trade was owing to our having the land entirely to ourselves, with no population near us, with a universal belief prevailing that we had the legal monopoly, and our being able to impose our own tariff and our own terms on the Indians and other hunters. But if we part with all rights of ownership, in fact cease to be the Hudson's Bay Company, our advantage will be lost. The spell of the monopoly is already broken; the world knows that the best jurists have pronounced it illegal; and for many years we have been unable to enforce it. American and Red River dealers compete with us all over the territory; and the Indians have now hundreds of customers for the skins, instead of having only the Company. The great restless population of the West is dashing over our frontiers; and, as wave succeeds wave, our *Fur-Trade* will be more and more obliterated.

As a question of indemnity, we are bound, by all the

rules of probability and prudence, to set it down as a total loss.

(2.) Our *Goods-trade* does not seem at first sight so necessarily doomed as our trade in Fur. The very population which tends to extinguish the latter, might be supposed only to stimulate and increase the former.

But the Goods-trade hitherto has only been a pendant of the Fur-trade, meant to do little more than supply the outfit; and its profits again have been kept up and swelled by the actual monopoly, long supposed legal, which we have possessed of importing and selling merchandise, and of conducting all trade in the territory, without any rivals. Our Goods-trade was entirely barter—an enormous truck system; and formerly, from the ignorance of the Indians, we disposed of our goods at twenty times their real value. Now that this charm of our exclusive right has been dispelled, traders come up from the States and traverse the country, and a number of pushing and successful merchants have established themselves on the Red River. By a return which I lately saw of goods imported into Rupert's Land *via* St. Paul, it appeared that the goods belonging to independent traders and merchants were nearly equal in amount to those sent by the Company. So closely is competition grazing our heels, and stamping out the excessive profits which alone rendered our Goods-trade possible. The trade in such a scattered and thinly peopled country is and must long be rather retail than wholesale—in short pedlars' business; and in pedlars' business a large public company, with its head-quarters in London, and its proprietors very numerous and constantly fluctuating, never can compete with the zeal, promptitude, cheap management, and personal go-ahead of private individuals, or small select partnerships,

at work upon the spot. Indeed, in no simply small trading business can a public company be the match for individuals or a few working partners.

If we part with the land, we have as little hope of maintaining our Goods' as of maintaining our Fur-trade.

Here then is the loss of our annual profits of trade,—£78,000. And this loss, capitalized at 5 per cent amounts to a sum representing a loss of £1,570,000.

The facts, testimonies, and analogies which I have adduced, sufficiently warrant the conclusion that our trade will be totally lost—that our annual revenue from trade will be spunged out.

But even if the grounds for this conclusion were less cogent than they are, it is our part, our interest, our duty as a commercial company, as prudent and sensible men, to calculate upon the risk of a total loss, and in the terms of any purchase to insist for *absolute indemnity*—*absolute indemnity*. We are not selling with a halter about our neck, or a pistol at our head; we are under no dire inevitable necessity. We need not sell unless we like. As we shall see presently, we can keep our land, we can settle our territory, we can open up and ourselves enjoy its riches. If we have energy and judgment, and are up to the time of day, this will be by far the most profitable, as it would be the most dignified and manly course. We beg no one to buy; we court nobody's offer. If a purchaser comes, he must come in no mean, shabby, higgling spirit; he must meet us fairly and liberally, and one condition must be—*absolute indemnity for the loss of our trade*.

I have now examined the two mixed elements from which we are to deduce the price that we ought to demand for parting with our territory and territorial rights. The *first* was, the prospective value of the

property to a purchaser in fifteen years' time, which I estimate within very low bounds at £3,200,000

The *second* was the amount of our loss in trade, which I estimate at a total loss capitalized of . . .

1,570,000

£4,770,000

Or say in round numbers, £5,000,000.

FIVE MILLIONS—that is about the standard of the price on which we ought to insist.

Some of you may be startled for a moment at the sound of such a price; but I beg of you to recast and reflect upon the previous calculations, and you will see the price is reached, not by baseless and extravagant conjectures, but by sober, real, positive facts. And remember, it is not for small and ordinary profits, for an everlasting 4 or $4\frac{1}{2}$ per cent. that you withdraw your money from the banks, or from consols, or from your own business, and risk it in Joint-stock companies, but for great and extraordinary chances, such as has now turned up to the Hudson's Bay, if we have the sense and vigour to take advantage of it. It is not every day that a continent is on sale; there is no such other estate in the wide world; and Five Millions are a drop in the bucket, compared with the profits and advantages that would in the long run be realised by any community or company making the purchase.

But in fact there would be nothing anomalous or unprecedented in winding up the Hudson's Bay at such a price. These are almost identically the terms on which the Government, in 1833, arranged with the East India Company -- our elder brother who has gone before us into the land of shades. That Company was compensated, was bought out in fact, by a

guaranteed annuity of $10\frac{1}{2}$ per cent on a nominal capital of £6,000,000.

The price we demand (£5,000,000) invested at $4\frac{1}{2}$ per cent would yield £225,000. That is, deducting cost of management, &c., nearly $10\frac{1}{2}$ per cent on our paid-up capital of £2,000,000—a capital not merely nominal like the East India Company's, but actually paid up. This I say was the adjustment with the East India Company; and we, the Hudson's Bay, stand in the same category,—the last of those ancient proprietary corporations who held or conquered kingdoms for the Mother Country. We are entitled to the same euthanasia. Our position may not have been so dazzling in the past, but neither has it been marked with so many guilty stains; and I do not hesitate to affirm that we have been guarding and preparing for Britain a fresher, and fairer, and nobler inheritance of the future.

But there is a whisper circulating that *One Million* has been offered for our territory. By whom and when it was offered, whether it has been seriously discussed by the Government or by our Directors, and whether it is still pending, no one can tell. All is studied mystery. But as the birds of the air are carrying the matter, we may as well give it a passing notice.

I have already shown, that if we part with the land, our Charter is at an end—our incorporation has no further legal existence. But even if we were still to endeavour as a Corporation to continue in trade, I have likewise shown that our trade cannot subsist on a sufficiently remunerative scale, when divided from the ownership of the land, when the prestige of our monopoly is dissipated, and when Yankees and Half-breeds, true sons of the soil, are disputing with us inch by inch. We should therefore be left eventually without any

annual return from trade. When we sell, we must wind up—our old Charter collapses for ever.

Now what sort of winding up will there be upon *One Million* for the land?

I am no great adept in figures, and our Accounts are blamed by every one as being vague, incomplete, and inexplicit. But for the present we must take them as they are. So far as I can make out from the Annual Account up to the end of May, 1865, our assets, or realisable means there collected, are as follows:—

Sundries, including cash in hand	£9,234	1	3
Loans and Investments . . .	346,601	11	9
Accounts due to the Company .	30,746	5	6
Plant valued at	65,164	11	5
Advances in Goods	743,984	7	7
	<hr/>		
	1,195,731	11	6
Deduct debts due by Company .	205,947	9	10
	<hr/>		
Total assets	£989,748	7	8
Add alleged offer for land .	1,000,000	0	0
	<hr/>		
Divisible fund	£1,989,748	7	8
	<hr/>		

But with expenses of management, winding up, contingent depreciations, &c., we take the divisible fund at £1,900,000. This falls far short of our paid-up capital (£2,000,000), and therefore we wind up on a deficit. It would divide some £18 or £19 per share of £20, which, with three years of dividend at $4\frac{1}{2}$ per cent, would be all the harvest gathered by the later Hudson's Bay Shareholders for their paid-up capital of £2,000,000.

But test the Million another way.

Suppose, instead of our dividing and winding up, the Million were carried and added to assets, for the purpose

of still keeping up the Company in some shape or other. This would make the whole assets about £1,900,000. It has been sufficiently shown that the Company could no longer be a trading Company; that with the loss of the land the powers of the Charter would be exhausted; and therefore it could only continue for a time (not under the Charter at all, but probably under some articles of association,) as a money-lending or investing Company. Suppose it could invest its whole assets at an average of $4\frac{1}{2}$ per cent, but deducting average losses and declines, and the necessity of keeping back some reserve, the annual dividend could never exceed 3 or $3\frac{1}{2}$ per cent. Then the new association (for it would no longer be the Hudson's Bay Company) would have no great future, no boundless resources before it, to incite and tempt speculation in its shares. It would be a worn-out stump. Judging from similar effete stocks, the shares would hang dull and inanimate about £12, and even at that price would only be 5 per cent on the capital. In fact they would be unsaleable, till in disgust and desperation the still remaining shareholders would wind up at whatever disadvantage.

And yet we hear of men wise after this world who go about vaunting, that if we sell our land, Charter and everything, for a million, our shares will fly up to £20. or £25.—our skin and bone, without horns or tallow, will sell above par, Well, one has seen so many manias on the Stock Exchange—there is so little calculation or common sense in these so-called “operations,” so much of monkey imitation—that no one can tell what may happen, the mere scream of the Hudson's Bay people getting a million of money might send up the shares by a sudden bound to £20. or £25. But I as certainly believe—and more experienced men as cer-

tainly believe—that the sudden-bounding purchasers would find themselves in a short time with only £12. in their pockets for every £20. or £25. that they had foolishly flung away per share.

In a word, *One Million still leaves a deficit*, and you will never make true par out of that.

SETTLEMENT.

We come to the other alternative which we may adopt—that of the Company undertaking the colonisation or settlement of their own Territory.

I am strongly persuaded, under all the circumstances in which we are placed, this is our wisest and most beneficial course.

We cannot force purchasers to come forward, or it may be long before we can realize an adequate price. Are we to stand with our hands in our pockets and do nothing? If nothing be done, circumstances may any day break out which will precipitate the interference of Government, perhaps both of the British and the United States Governments, and our proprietary interests may be overridden or postponed. Instead then of waiting idly for a purchaser, or a satisfactory price, or running the risk of hasty and hurtful interference by governments, we ought immediately to make our right of ownership effectual; we ought to survey and prepare the land for settlement; we ought to set on foot the necessary land agencies; we ought to take sufficient precautions, under our proprietary rights, for the order and government of the population; and there can be no doubt that within a year's time there would be a large immigration into the Territory, and extensive tracts of country would be bought, occupied, and cultivated. Our title would

every day become more and more a substantial reality, instead of the shadow it now looks. Our capital in the land, now locked up and altogether unproductive, would speedily return the most ample interest, and abundantly make up for any decline in our trade. Our proprietary rights would be so widely diffused and so firmly planted that when Government at length came to deal with the administration and permanent regulation of the Territory, they must first of all recognise and arrange with these rights—in short, *fairly buy us up*—and could not push them aside, or postpone them for a time indefinite, as could easily be done, and would certainly be done, if we remain totally inactive.

Another advantage in our undertaking the settlement of our own lands would be, that without any arbitrary or noxious interference, we might have it greatly in our power so to conduct and regulate the course of settlement, that we could for a while at least *protect and preserve our trade both in furs and in goods*, until the time gradually arrives when these, almost our sole resources at present, may be safely given up, and we can rely for revenue upon the proceeds of our land settlements. Any Government or independent company purchasing and settling the lands, would only study their own views and interests, and would neither be bound nor disposed to give any facility or privilege to our trading operations, if we should attempt to linger upon the scene under some new form; for I must always repeat that, after sale and transfer of the land, we are the Hudson's Bay Company no longer. It is certain, were the land once out of our hands, we should be regarded only as an incubus by the new comers, to be shaken off by them as fast as possible, and with very little ceremony or mercy. We know what be-

comes of monarchs who lay down their crowns. Present ruling power, alas ! is what the world alone respects.

By immediately taking the settlement of the land into our own hands, we are both able in the meantime to guard and preserve our property, to wait without anxiety or alarm until adequate terms of purchase can be adjusted, to save and carry on our trade for some time longer, to derive a larger profit from that portion of our capital which has lain neglected and unproductive—the Land—than we have ever yet realised from trade, and to continue the title of the Hudson's Bay Company till we can pass it with honour into the hands of the British Government, draw our robes around us, and die in a manner worthy of the last of our race—the grand old Governing Companies of Britain.

But a plan of colonisation involves two distinct processes,—not only the allotment, sale and management of the land,—but the proper and efficient *government* of the Territory.

I have more than once pointed out that, in the opinion of our ablest jurists, we have no right of exclusive government, beyond the powers of regulation inherent in the proprietorship of the soil: that the Crown could not legally by charter, without the sanction of Parliament, delegate and give away the public authority. And even if we had the full power of government under the Charter, it would be anomalous, inconvenient and dangerous for a private Corporation long to exercise such power; it would be impossible to retain it, when the population becomes very numerous and strong; it would perish in a frightful anarchy, and perhaps give a pretext for a foreign Government, in short for the neighbouring United States, to interpose, and ultimately seize the government for itself.

We ought therefore to put ourselves right from the beginning, and, whilst devising and maturing our plans of land-settlement, we ought at once to invite and urge and co-operate with our own Government, with the view of transforming Rupert's Land, in the first instance at least, into a *Crown Colony*—the beginning of the "New Britain" of the West.

If there were time I could easily establish, that Rupert's Land—looking at its extent, resources and fine central position—ought first of all to be reared and developed as a separate territory, a separate colony, in direct connection with the Mother Country. The pretensions of Canada to make a cabbage-garden of it are preposterous. Canada—which is not the eighth of the size—which is a thousand miles distant—which is its inferior in future capabilities—which has two-thirds of its own cultivable land lying still uncultivated—which is itself a struggling, undeveloped country—not equal in any respect to a fourth-rate kingdom in Europe such as Belgium, or many of the single American States such as Pennsylvania and Ohio—which has burden enough in its own preposed Atlantic Confederation—which would dwarf Rupert's Land from a British colony into the mere sub-colony of a colony—which has no star on its forehead marking it out as the future sovereign of British North America—and which is so full of provincial politics, and feuds with America, that this new Territory, if yoked to Canada, would from the very first be placed in a false position with the United States, which is its natural ally, its nearest market, its best means of communication with Europe.—Rupert's Land ought to be allowed to grow up and develop itself freely as a true independent British Colony.

If, on the other hand, our Government for any reason,

do not see that the time has come to make a colony of the territory, and if they leave us to ourselves, we have admittedly the right as proprietors to exercise very large governing powers ; and during the transition period we could have little difficulty, with our forts and establishments, and with the hardiest and most skilful and self-reliant staff of factors and agents that the world ever saw, to maintain order, peace and regularity amongst the first hive of population. We must not start at straws, and hum and haw, but act like men who, by God's providence, have a Continent grown up on their hands.

Having mooted the general outline of a settlement of the land, I forbear at present entering into details. These as yet could only be crude and premature: they must be elaborated by future thought, wisdom and experience. After half a century of Emigration and Colonisation, there would not be the smallest difficulty either in laying down or carrying out an intelligent, practical, and beneficial scheme for the settlement of Rupert's Land. By a simple and just re-distribution of the surplus funds of the Company, which are rotting at present in stagnant loans and stocks, the necessary capital could easily be provided, without going into the money-market, or calling in the services of such an expensive wet-nurse as Mrs. International-Financial is understood to have been.

It would be out of place for me to do more than suggest and advocate the project. I leave it in the mean time as good seed to fructify in the minds of the Shareholders, till they proclaim with one united voice, which no officialism can resist—"Go to — let the FERTILE BELT be peopled !"

I have now finished my task. I have described the *Territory*, and have shown that, besides all its mineral and industrial resources, it possesses 22,000,000 acres of the most fertile land, immediately available for cultivation, a favourable and salubrious climate, notwithstanding its northern situation, a position midway between Europe and the East, and every facility for water and railway communication. I have explained the *Title*, and shown that it confers a perfect and undoubted right to the land of the Territory, and all the incidents of ownership. I have sketched so much of the *History* as illustrates, that the Hudson's Bay at one time was inclined to foster colonization, and that the title of the Company has been corroborated both by the defeats of its antagonists, and their repeated refusals to try the validity of the title, and by the formal recognition of successive Ministries. I have noticed the *circumstances* necessitating a new policy, and pointed out the extreme peril of longer inaction—the peril from lawless squatters—the peril from political complications,—and that if we do not set our house in order, two years cannot pass without its either being torn from us violently, or taken out of our hands with some appearance of law it may be, but all our rights left floating about in the air, for an indefinite time—it may be for ever. I have considered our *new policy*, whether it should be sale or settlement; and calculated, if it be sale, that the standard of price should be taken about five millions; but have come to the assured conviction, that our most profitable, easy and dignified course would be, to carry out as a Company (in the very words of the original Prospectus) “a liberal and systematic scheme of land settlement.”

In this case, as in so many others—in all others if we could rightly comprehend them—the private interest and the public interest would exactly coincide.

For our own private interest—we should be able to preserve for a certain time, and gradually and safely to withdraw from, our trading operations. We should derive from the sale of the land, and perhaps our own cultivation of it to some extent, an amount of profits far exceeding what can ever now be derived from our tottering and decaying Fur-Trade. We should not creep ignominiously out of existence, but hold up our heads to the last as England's oldest governing corporation, and in a ripe old age wind up our affairs in prosperity and renown.

In the public interest—the present unpeopled and uncultured territory would be filled with inhabitants, and covered with plenty, and fitted to be a British colony, by our labours and investments, without any burden to the Imperial Treasury. Our own factors and agents, the sons of the soil, inured to the clime, bred to hardihood, having the key to the habits and feelings of the natives, would be the pioneers of civilization, the breakers-up of the wilderness, the best managers and peace-makers amongst a wild and difficult population. Our forts, factories and missions, diffused through the whole territory, would be everywhere the centres from which the lights of industry, knowledge and order would shine forth into what were formerly the dark places of the earth. To open up and connect the various settlements, we should have to make or improve the means of transit along the rivers and lakes, and across the softly undulating prairies, and thus be marking out the line of the most stupendous railway in the world—fit work for a great empire—which shall ere long

stretch its iron chain between the waves of the Atlantic and Pacific. At last NEW BRITAIN would begin to show itself in rising might and majesty over the North-West of America—not the enemy I hope of the kindred Republic—not to engage in unnatural strife and fratricidal wars, but emulous only in the arts of peace, and in the development of humanity. It were well for the balance of America, well for the good of mankind, that British ideas and institutions should flourish in the Fertile Belt. Men live and grow best under a variety of influences. No Continent can be healthy that is pressed down by one sole and huge Leviathan. We are standing on the mount of vision, and can only dimly descry the new and higher forms of life, thought and social brotherhood, which may yet arise on the now silent banks of the Saskatchewan, amid the now waste-lying prairies that spread on and on to the sublime peaks of the Rocky Mountains. Hope sheds its blessed rays on the horizon of the Future. Amidst all the disappointments, amidst all the disenchantments to which we are exposed, the human soul clings instinctively to the belief—

“That Earth has something yet to show!”

The world is not exhausted. Civilization is only dawning; it has only gilded the tops and upper cornices of society; it has scarcely touched the body of the building; the base is lying in utter darkness. This new Continent in the North-West—boundless, fertile, unoccupied, comparatively near, and still within the domain of Britain—holds out new and nobler prospects to our industrious classes, to our landless men who long for some root in the soil, and to struggling talent, merit, and ambition, which can find no sufficient theatre at home.

STATEMENT.

A number of the Shareholders of the Hudson's Bay Company, knowing that a good deal of dissatisfaction and anxiety had long prevailed amongst the general body on the uncertain state of their affairs, resolved that an opportunity should be afforded to the Shareholders to hold a meeting and conference on the subject. Having learned that one of their fellow-Shareholders, Mr. Dodds, had been led to pay particular attention to the history and condition of the Company, they arranged that he should open the intended meeting by an Address, after which the Shareholders present should be invited to interchange their views, and bring forward and pass any Resolutions which they might think fit. It was also resolved to apply to the Directors for the use of the hall in the Hudson's Bay House, both because that appeared to be the suitable place for a meeting of the Shareholders, and because there would be the advantage of being able to refer to the large cartoon map of the Territory which is suspended in the hall. A requisition to this effect was prepared, and was readily signed by Shareholders; and had there been time, many more signatures could easily have been obtained.

The following is a copy :—

London, 8th January, 1866.

To the Secretary of The Hudson's Bay Company, Fenchurch Street, City.

Sir,—We the undersigned Shareholders of your Company request you will kindly ask the Governor, Deputy-Governor, and

Committee whether they are agreeable to grant the use of the Company's Hall to as many of the Shareholders as may choose to attend there on Wednesday the 24th inst., at three o'clock p.m., to hear a lecture on the subject of the Company's Territory, and to confer with each other as to the policy which, in present circumstances, should be adopted.

We are, Sir,

Your obedient Servants,

(Signed)	LIONEL N. BONAR.	ALEXANDER M. SIM.
	J. R. MORRISON.	EDWARD W. WATKIN.
	JAMES DODDS.	J. GERSTENBERG.
	C. J. H. ALLEN.	JOHN MACDOUGALL.
	HENRY SEWELL.	

This Requisition was forwarded to the Secretary, in a letter dated 13th January, by Mr. Lionel N. Bonar.

The following answer was returned on the 16th January.

*Hudson's Bay House,
London, January 16th, 1866.*

Sir,—The Governor and Committee have consulted their Broker, Mr. Hagell, as to the possibility of complying with the request contained in your letter of the 8th instant. Mr. Hagell has reported as follows:—

“In reference to the Requisition made by some of the Shareholders in the Hudson's Bay Company to the Governor and Committee for the use of a floor in the Company's Warehouse on the 24th instant, I beg to report that the request could not be complied with without great inconvenience and hindrance to the Company's business; indeed, I might say it would be impossible to have the room ready on that day, it being the day after the Company's sale, when the whole of the space will be required for the lots of Beaver, so as to be ready for delivery and packing.

“We are already much pressed for space this season to get the assortment ready for the Fur Sale.”

The Committee therefore are obliged to refuse the application made to them on behalf of yourself and the Shareholders.

Under any circumstances the Governor and Committee are very doubtful whether they would be justified in allowing any meeting to take place in the Hudson's Bay House, unless called in accordance with the provisions of the Charter.

I have the honour to be, Sir,

Your obedient Servant,

THOMAS FRASER, Secretary.

Lionel N. Bonar, Esq., 53, Welbeck Street, W.

The Requisitionists did not deem it expedient, under the circumstances mentioned by the Board, to press for the use of the Hall, and arranged to convene a meeting of Shareholders in the London Tavern on the 24th January. They still however, by letter, dated 17th January, requested the use of the Map; and the Board very promptly and kindly, in a letter dated 18th January, acceded to this request.

A meeting was then called by advertisement to be held in the London Tavern on the 24th of January, at 3 p.m.

The meeting was numerous and respectably attended. There were about 150 persons present, of whom at least 130 were Shareholders, as was ascertained by a list taken at the door. The proceedings at the meeting were more or less fully reported in all the daily newspapers, more particularly in the *Morning Herald* of next day, and also in the *Money-Market Review* of the 27th January. Reference is made to those reports, for want of space unfortunately prevents more being done here, than to give the most meagre outline of the proceedings.

The chair was taken by Mr. Lionel N. Bonar. After some explanations as to the correspondence with the Board, and the objects of the meeting, he introduced Mr. Dodds, who delivered an Address, the substance

of which (with some additional points) is contained in the preceding pages.

At the close of the Address the thanks of the meeting to Mr. Dodds were moved by Mr. Morrison, seconded by Mr. Hartridge. At this stage Mr. Richard Potter, one of the Directors of the Company (and formerly Chairman of the Great Western Railway Company), made a few observations, which were received with marked interest by the meeting. He spoke favourably of the object of the meeting, described the Address as "able, eloquent, and temperate," and added, that "he believed that the statements they had just heard must exercise an important influence on the settlement of that question."

Mr. Gerstenberg then moved the first Resolution, seconded by Mr. Henry Sewell, and unanimously passed :

This meeting, understanding from various concurrent reports, that negotiations are going on for the sale of the territorial rights of the Hudson's Bay Company, and that the lands immediately available for settlement amount to at least 40,000,000 acres, besides the other enormous tracts of country possessed by the Company, are of opinion that the price or compensation to be accepted should not be less than five millions sterling, being at the rate of 2s 6d per acre for the 40,000,000 acres ; otherwise the Company ought themselves immediately to carry out a plan for the systematic colonization and settlement of their territory.

Mr. Hartridge moved the second resolution, seconded by Mr. Macdougall, and unanimously passed :

A vote of thanks to the Directors of the Hudson's Bay Company for the use of the map, accompanied with a request to them for the use of their room, with a view of holding a meeting to consider the foregoing resolution.

Mr. L. N. Bonar (Chairman) in a letter of 25th January, forwarded the two Resolutions to the Secretary of the Company to be laid before the Board. The following was the answer : —

*Hudson's Bay House,
London, January 30th, 1866.*

Sir,—I am directed by the Governor and Committee to acknowledge the receipt of your letter of the 25th instant, together with copy of Resolutions passed by the Meeting held at the London Tavern on the previous day.

In reply to that portion of your letter which has reference to the second Resolution I am directed to refer you to the letter which I had the honour to address to you on the 16th instant, and to add that the question, having been again submitted to the consideration of the Board, they have with regret come to the conclusion that the request cannot be acceded to.

I have the honour to be, Sir,
Your obedient Servant,
THOMAS FRASER, Secretary.

L. N. Bonar, Esq.

Mr. Bonar, after consulting with several of the gentlemen who had been acting along with him, returned the following reply :—

*53, Welbeck Street, W.
February 3, 1866.*

Sir,—I have referred your letter of the 31st ult. to the gentlemen acting in behalf of the Meeting of the Hudson's Bay Shareholders, held at the London Tavern on the 24th January.

They desire me to add to my former communication: that the Meeting in question was attended by about 150 persons, of whom at least 130 were shareholders, according to a list taken at the door and now in my possession. I can bear testimony, as Chairman, that the Meeting was most respectable, and that the Resolutions—which you have already laid before the Board, one of them being a request that the Directors would allow the use of their Hall for a further discussion of the subject—were unanimously passed, and with the

strongest expressions of approval. They hoped, that such a request from such a considerable body of Shareholders, acting in no party spirit, but solely for the good of the whole body, would have been acceded to.

They feel bound to record their dissent from the view, that there is anything in the Charter to prevent compliance with such a request. The Charter is characterised by nothing so much as by the unlimited power which it confers upon the Company (that is upon the Shareholders) to hold any number of meetings and make any orders and regulations for the common good and government of the Association, and we humbly think it would only have been in harmony with this wise liberality of the Charter, if the Board had permitted the Shareholders to hold their further meeting in their own house.

I remain, Sir,

Your obedient servant,

LIONEL N. BONAR.

To the Secretary of the Hudson's Bay Company.

The Secretary, wrote this further letter, in reference to the 2nd Resolution.

Hudson's Bay House,

London, February 6th, 1866.

Sir,—I am directed by the Governor and Committee to acknowledge your letter of February 3rd.

The Governor and Committee think that their reasons for adopting the conclusion already announced to you are perfectly sound, and are most consistent with the interests of the Shareholders.

If a set of Shareholders, entertaining one set of opinions on any given point were desirous of holding a public meeting in the Company's premises, it is possible that another set of Shareholders, differing from the former, might be desirous of doing the same thing, and thus two sets of Resolutions contradicting each other, might issue from the Hudson's Bay House, with the apparent authority of the Company.

The above case is put only as an illustration of one of the many inconveniences which might arise, and is by no means the only difficulty which the Governor and Committee perceive in complying with your request.

They desire me to say that they have refused that request with regret, and with no intention to cast any doubt on the respectability or intelligence of the gentlemen composing the Meeting,

I am, Sir,

Your obedient servant,

THOMAS FRASER.

Lionel N. Bonar, Esq.

On the 10th February, Mr. Bonar addressed the following letter to the Board:—

53, Welbeck Street, W.

February 10th, 1866.

Sir,—I duly received your letter of the 6th inst, but before acknowledging the receipt, I had to consult the gentlemen with whom I have acted in this matter.

We understood in your letter of 31st that the use of the Hall was refused from a view, that the Charter debarred the use of it for Meetings of Shareholders. We could not help expressing our dissent from that view. But the reason, which you now state, is a point, where the Board are entitled to use some discretion, and with that discretion we do not wish unduly to interfere.

The answer of the Board has thus been given to the second Resolution, which I had the honour to communicate. It only remains, therefore, to know if they are disposed to return any answer to the first Resolution, which has hitherto not been noticed by you, and to which the Meeting attached much more importance than to the second. In fact, the second was only of value as a means to afford a renewed opportunity to discuss the first.

The Shareholders present evinced in every way a strong desire that some policy should be adopted by the Company in the spirit of that Resolution. I am anxious, therefore, in the discharge of my duty to receive any answer which the Board may be disposed to make to the recommendation contained in that Resolution.

I remain, Sir,

Your obedient servant,

LIONEL N. BONAR.

To the Secretary of the Hudson's Bay Company.

To the above letter the Board returned the following answer.

*Hudson's Bay House,
London, February 14th, 1866.*

Sir,—I beg to acknowledge the receipt of your letter of the 10th inst. which I have laid before the Governor and Committee.

In reply, I am directed to state that it has never been the intention of the Governor and Committee to close finally with any offer made for the purchase of the Hudson's Bay Territory, or any portion thereof, without submitting its terms to a General Meeting of the Shareholders, lawfully called; and it is in their opinion inexpedient that any definite maximum or minimum should be adopted by the Committee beforehand as the value of their territory.

When the Governor and Committee are satisfied that a scheme of Colonization can be pursued with advantage, they will be quite ready to act upon such scheme.

I am, Sir,

Your obedient servant,

(Signed) THOMAS FRASER.

Lionel N. Bonar, Esq.

This last communication from the Board, completing their answer to the two Resolutions passed at the Meeting of the 24th January, naturally closes the correspondence for the present, and concludes the first scene of the movement which has commenced on the part of the Shareholders.

When a Company which once paid so high as 50 per cent., and even so late as 1847-56 used to range from 10 to 20 per cent., falls miserably off, and yields only $4\frac{1}{2}$, with no prospect of increase, rather a fear of further decline, if the old policy be maintained, and where there is no indication of any change of policy, Shareholders must at last bestir themselves, and show that they feel themselves entitled to some information, some guidance, from those whom they have deputed to govern them, and who have superior means of knowledge, not for

their own gratification, not to keep secretly amongst themselves, but to impart in a discreet and judicious manner to the body of the Shareholders.

To modify the old and introduce a new system will require time and perseverance, a spirit of activity and a just sense of their own rights amongst the Shareholders, and a more frank and confiding disposition amongst the Directors. There need be no wonder then if the movement which originated amongst certain of the Shareholders only in January last has not yet produced any astonishing change. None but the over-sanguine and inexperienced could expect any such miracle.

But the movement, though short and gentle, and meant to be an appeal to good sense, not an exhibition of force, has not been barren of results. Amongst these may be enumerated:—

1st. That for the first time since the reconstruction of the Company in 1863, the Shareholders, roused by the critical state of their affairs, and no doubt disappointed by the continued silence and non-direction of their Directors, have been drawing into a bond of union, into a mould of joint action, and are not now likely to break up this connection until they see their affairs placed on a clear and distinct footing, and the future policy of the Company firmly fixed and positively announced.

2nd. That a considerable number of them, at least 130, representing no doubt many more who could not or did not attend the meeting, have unanimously and emphatically declared, that their territory and territorial rights ought not to be sold and transferred except at a full and adequate price (say £5,000,000); and if these terms cannot at once be obtained, that then the Company for itself ought immediately to prepare and carry into exe-

cution a plan for the colonization of their territory, and for realising in that form profits on their capital, which it is now vain to expect from the mere prosecution of the Fur-Trade.

3rd. That the Board, in answer to this Resolution, have given two categorical pledges—(a) that they will not close finally with any offer of purchase without bringing the whole terms before a regularly constituted meeting of the Shareholders; (b) that when satisfied of the merits and expediency of any scheme of colonization, they will be prepared to act upon it.

If these results are not a *revolution*, they are a *progress*.

Growing union amongst the Shareholders—a firmer conviction amongst them of the security and value of their property—the beginning of a clearer understanding and accord between the Directors and Shareholders;—this is no bad fruit of two months of a very quiet and temperate movement.

If continued sincerely, prudently and firmly, the Hudson's Bay Company, by the month of June next, will stand clear of clouds, will have a defined policy; every cold shadow between Directors and Shareholders will disappear, and they will equally rejoice in the prospect of reaping the full fruits of their property, besides the blessings which they will be the means of bestowing upon countless generations of the human family.

It must constantly be remembered, that in their Prospectus of 1863, on the faith of which the reconstructed Company was formed, the Directors bound themselves by this most absolute and solemn pledge: "*The Southern District will be opened to European colonization under a liberal and systematic scheme of*

land settlement." As this Prospectus is now difficult to obtain, and is the pact on which the capital of £2,000,000 was raised, it is republished at the end of this Statement.

Unless words are breath, unless Directors are decoy-ducks, unless two millions are a bauble—THIS PLEDGE MUST BE REDEEMED!

Although the movement of the Shareholders up to this point has not been fruitless, but has at least morally advanced the question, yet there are many causes of misgiving, many warning notes of alarm; and if the Shareholders are not to lose the advantage they have gained, if they are to go forwards and not backwards, they ought to continue and strengthen their bond of association, until the present crisis is safely over, until their interests are secure, and until the final arrangement (whether for sale or settlement) is definitely fixed.

Till the fate of Rupert's Land is decided, let the Shareholders maintain their association.

The Board's letter of the 14th February, without scanning it too critically, implies the possibility that the terms of any offer of purchase may be kept back from the Shareholders until negotiations have proceeded too far, and the honour of the Company is too much committed, for the Shareholders to refuse their assent, even though the price were most inadequate and nugatory. It implies that the previous question may never be submitted to the Shareholders—which certainly ought—"Is it your wish to sell, or is it your wish to settle your territory?" It implies that the Directors have no plan of land-settlement, although they volunteered the pledge in 1863, as one of the conditions on which the capital was subscribed and paid. It implies that they may in-

definitely stave off any plan suggested to them, on the plea mentioned in their letter—that they are not satisfied that such a “a scheme of colonization can be pursued with advantage.”

Whilst the Board's letter is too oracular to be reassuring, hints are ever and anon appearing in well-informed quarters as if negotiations were actually going on, and near their completion, of which (if true) the Shareholders ought to have timely notice, and which they ought to be called upon to sanction by a preliminary vote. Thus in the City article of the *Morning Post* of 21st February, discussing the transfer of the territory to Canada—the writer states very strongly :

“ We have reason to believe that the sum demanded by the Company is considered reasonable both by the Canadian Government and the Colonial Minister, *and under these circumstances the whole transaction may be finally settled in the course of a few weeks.*”

Is this so ? are our Government and Canada, without any reference to the Shareholders, coolly pinning a ticket on our property, and are our Directors mixed in the transaction ? And if this be the case, how could the Shareholders repudiate the bargain, however injurious or unfair, if they are not to be called together and consulted *till just before the matter is finally closed* ? That these reports should prevail, and disquiet the minds of Shareholders, is an instance of the baneful effect of a secret system of management.

In an extraordinary case, like the contemplated transfer of their whole property, Shareholders are not simply entitled to have the matter submitted to them before it is finally closed ; they are entitled to be consulted, and their sanction received, *before the negotiations are seriously entered upon at all*. It is a perverted and arbitrary view, that Directors are empowered to com-

mence negotiating for the transfer of a Company's property, without previously getting any authority whatever from the Shareholders.

To keenly watch the course of events, to determinedly guard and preserve their interests, to save the Directors from any political pressure, is the plain and undeniable duty of the Shareholders; and they can only do so effectually by acting in a united and concerted manner, until all danger has blown past.

An opportunity will be again afforded for them to continue the movement which has so far favourably begun. On ascertaining that there is a general feeling of this kind amongst them, means will be taken to form an Association for the better protection of common interests. A letter is attached to the end of every copy of this Pamphlet forwarded to Shareholders, which may be signed and returned to the address given. If it appear from the letters so returned, that a sufficient number of Shareholders are willing to co-operate, not in any factious way, but simply for self protection, a meeting will be convened to enable them to form an Association, and agree upon a Programme of action, to be brought in due time before the consideration of the Directors.

THE
INTERNATIONAL FINANCIAL SOCIETY
LIMITED

ARE PREPARED TO RECEIVE

Subscriptions for the Issue at Par of Capital Stock,
IN

THE HUDSON'S BAY COMPANY,
INCORPORATED BY ROYAL CHARTER, 1670.

The Stock will be issued in Certificates of **£20** each, and the
Instalments will be payable as follows:—

£1 being 5 per cent. on Application.				{ To be returned in the event of no Allotment being made.
4	„	20	„ „ on Allotment.	
5	„	25	„ „ on 1st Sept., 1863.	
5	„	25	„ „ on 2nd Nov., 1863.	
5	„	25	„ „ on 1st January, 1864.	
<hr/> £20 <hr/>				

With an option of prepayment in full on Allotment, or on either of
the days fixed for payment of the instalments, under discount, at
the rate of 4 per cent. per annum.

The Capital of the Hudson's Bay Company has been duly fixed at
£2,000,000, of which amount the International Financial
Society Limited have obtained, and are prepared to offer to the
Public, **£1,930,000**.

*The Subscribers will be entitled to an Interest, corresponding to the amount of their
Subscription, in—*

1. *The Assets (exclusive of Nos. 2 and 3) of the Hudson's Bay Company, recently
and specially valued by competent Valuers at £1,023,569.*
2. *The Landed Territory of the Company, held under their Charter, and which
extends over an estimated area of more than 1,400,000 square miles, or
upwards of 896,000,000 acres.*
3. *A Cash Balance of £370,000.*

*The present net income, available for dividend amongst Stockholders of the Company,
secures a minimum interest exceeding 4 per cent. on the above £2,000,000 Stock.*

THE DIRECTORS OF THE HUDSON'S BAY COMPANY ARE
AS UNDER :—

THE RIGHT HONOURABLE SIR EDMUND HEAD, Bart., K.C.B.
(Late Governor General of Canada), *Governor.*

CURTIS MIRANDA LAMPSON, Esq. (C. M. Lampson and Co.),
Deputy Governor.

EDEN COLVILE, Esq., Hudson's Bay House, Fenchurch Street.

GEORGE LYALL, M.P., Headley Park, Surrey.

DANIEL MEINERTZHAGEN, Esq., (F. Huth and Co.)

JAMES STEWART HODGSON, Esq., (Finlay, Hodgson and Co.)

JOHN HENRY WILLIAM SCHRÖDER, Esq., (J. H. Schröder and Co.)

RICHARD POTTER, Esq., Standish House, Gloucestershire.

THE Hudson's Bay Company were incorporated under a Royal Charter granted by King Charles II. in 1670, by the name of "The Governor and Company of Adventurers of England trading into Hudson's Bay," and, by the Charter, a vast tract of territory was vested in the Company, together with the sole right of trade and commerce, and all "mines royal," as well then discovered as not discovered, within the said territory.

The operations of the Company, which, with slight exceptions, have been hitherto exclusively of a trading character, have been prosecuted from the date of the Charter to the present day.

It has become evident that the time has arrived when those operations must be extended, and the immense resources of the Company's Territory, lying as it does between Canada and British Columbia, should be developed in accordance with the industrial spirit of the age, and the rapid advancement which colonization has made in the countries adjacent to the Hudson Bay territories.

The average net annual profits of the Company, (after setting aside 40 per cent. of them as remuneration to the factors and servants at the Company's posts and stations) for the ten years ending the 31st May, 1862, amount to £81,000, or upwards of 4 per cent. on the present nominal capital of £2,000,000. A portion only of this income has been distributed as dividend, while the remainder is represented in the assets and balances. The assets of the Company, in which the Subscribers will be entitled to an interest corresponding to the amount of their Subscription, will consist of goods in the interior, on shipboard, and other stock in trade, including shipping, business premises, and other buildings necessary for carrying on the fur trade, in addition to which there will be funds immediately available for the proposed extended operations of the Company,

derived partly from the cash balance of the Hudson's Bay Company, and partly from the new issue of Stock, and amounting in the whole to a sum not less than £370,000.

The Company's territory, embraces an estimated area of more than 1,400,000 square miles, or eight hundred and ninety-six millions of acres, of which a large area, on the Southern Frontier, is well adapted for European colonization. The soil of this portion of the territory is fertile, producing, in abundance, wheat, and other cereal crops, and is capable of sustaining a numerous population. It contains 1,400 miles of navigable lakes and rivers, running, for the greater part, east and west, which constitute an important feature in plans for establishing the means of communication between the Atlantic and Pacific Oceans, across the Continent of British North America, as well as for immediate settlement in the intervening country. The territory is, moreover, rich in mineral wealth, including coal, lead, and iron.

In addition to its Chartered territory, the Company possesses the following valuable landed property: Several plots of land in British Columbia, occupying most favourable sites at the mouths of rivers, the titles to which have been confirmed by Her Majesty's Government; farms, building sites in Vancouver's Island; and in Canada ten square miles at Lacloche, on Lake Huron, and tracts of land at fourteen other places.

The trading operations of the Company are chiefly carried on in the fur-bearing and northern portion of the territory, where the climate is too severe for European colonization. These trading operations will be actively continued, and as far as possible extended, whilst the management will be judiciously economized.

Consistently with these objects, the outlying estates and valuable farms will be realised where the land is not required for the use of the Company—the southern district will be opened to European colonization, under a liberal and systematic scheme of land settlement. Possessing a staff of factors and officers who are distributed in small centres of civilisation over the territory, the Company can, without creating new and costly establishments, inaugurate the new policy of colonization, and at the same time dispose of mining grants.

With the view of providing the means of telegraphic and postal communication between Canada and British Columbia, across the Company's territory, and thereby of connecting the Atlantic and Pacific Oceans, by an exclusively British route, negotiations have

been pending for some time past between certain parties and Her Majesty's Government and the representatives of the Government of Canada, and preliminary arrangements for the accomplishment of these objects have been made through Her Majesty's Government (subject to the final sanction of the Colonies), based upon a 5 per cent. guarantee from the Government of Canada, British Columbia, and Vancouver Island. In further aid of these Imperial objects, Her Majesty's Government have signified their intention to make grants of land to the extent of about 1,000,000 acres, in portions of the Crown territory traversed by the proposed telegraphic line.

One of the first objects of the Company will be to examine the facilities and consider the best means for carrying out this most important work, and there can be little doubt that it will be successfully executed either by the Hudson's Bay Company itself, or with their aid and sanction.

For this, as well as for the other proposed objects, Mr. Edward Watkin, who is now in Canada, will be commissioned, with other gentlemen specially qualified for the duty, to visit the Red River and southern districts, to consult the Officers of the Company there, and to report as to the best and safest means of giving effect to the contemplated operations.

Applications for allotments of Certificates of Stock of £20 each, to be made to the INTERNATIONAL FINANCIAL SOCIETY LIMITED, at their Offices, 54, Old Broad Street, E.C.

A preference in allotment will be given to parties hitherto holders of Stock in the Hudson's Bay Company, and to the Shareholders in the International Financial Society Limited.

NOTICE.

SHAREHOLDERS are requested to sign and fill up the following Letter, and return it *at their earliest possible convenience.*

LIONEL N. BONAR, Esq.
53, *Welbeck Street,*
London, W.

(Date.)

SIR,

I approve of the Shareholders of the Hudson's Bay Company uniting at the present time into an Association for the protection of their interests and the improvement of their property.

I am, Sir,

Your obedient Servant,

Signature _____

Address _____

No. of Shares held _____